

?show files; ds

File 15:ABI/Inform(R) 1971-2003/Jul 09
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 File 474:New York Times Abs 1969-2003/Jul 08
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 File 475:Wall Street Journal Abs 1973-2003/Jul 09
 (c) 2003 The New York Times
 File 583:Gale Group Globalbase(TM) 1986-2002/Dec 13
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Set	Items	Description
S1	1115	(SORTING (S) COST??) (S) MAIL
S2	1145	(SORTING (S) COST??) (S) (MAIL?? OR MAILPIECE??)
S3	477062	(CALCULAT? OR DETERMIN?) (S) (COST??)
S4	142	S2 AND S3
S5	78	S2 (S) S3
S6	53	RD (unique items)
S7	42	S6 NOT PY >2000
S8	54835	TYPE (S) (LETTER OR MAIL)
S9	39395	TYPE (S) (ADDRESSEE OR WRITING OR PRINT)
S10	9	S7 AND S8
S11	1	S7 AND S9

S12	54844	TYPE (S) (LETTER OR MAIL OR MAILPIECE)
S13	109	S12 AND S2
S14	65	RD (unique items)
S15	17	S3 AND S14
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00071066/9

DIALOG(R) File 15:ABI/Inform(R)

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00071066 78-05379

How to Cut Costs in Your Mailroom

McPoland, Dennis H.

Association Management v30n3 PP: 68-72 March 1978 ISSN: 0004-5578

JRNL CODE: AMG

DOC TYPE: Journal article LANGUAGE: English

ABSTRACT: With postage rates and labor costs escalating, mailroom operations are becoming an area of increased concern to management. It is an area that requires regular analysis due to constant changes occurring within the organization itself and in the methods used for processing mail. Mailroom operations can be improved significantly by determining costs of labor, space, equipment, depreciation, maintenance, and overhead. Nine steps are recommended for improving mailroom efficiency and reducing costs: 1. analysis of the mailroom function, 2. checking the need for new equipment, 3. use of idle time between mail handling peaks, 4. proper space for an adequate job, 5. proper classification and clear-cut policy directives, 6. elimination of inefficient sorting and work methods, 7. getting the Postal Service into the act, 8. free classes and professional advice, and 9. study of outside services. If an outside mail service is considered, these questions should be asked: 1. Is tight security of the mail important? 2. Is quick turnaround necessary? 3. Are there any really critical reasons why the work cannot be done by an outside firm?

DESCRIPTORS: Mail; Mailrooms; Cost analysis; Cost reduction; Analysis; Efficiency; Improvements; Guidelines; Office equipment

CLASSIFICATION CODES: 5100 (CN=Facilities management); 3100 (CN=Capital & debt management); 8600 (CN=Manufacturing industries not elsewhere classified)

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Temp SearchSave "TD021" stored

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Set	Items	Description
S1	1115	(SORTING (S) COST??) (S) MAIL
S2	1145	(SORTING (S) COST??) (S) (MAIL?? OR MAILPIECE??)
S3	477062	(CALCULAT? OR DETERMIN?) (S) (COST??)
S4	142	S2 AND S3
S5	78	S2 (S) S3
S6	53	RD (unique items)
S7	42	S6 NOT PY >2000
S8	54835	TYPE (S) (LETTER OR MAIL)
S9	39395	TYPE (S) (ADDRESSEE OR WRITING OR PRINT)
S10	9	S7 AND S8
S11	1	S7 AND S9
S12	54844	TYPE (S) (LETTER OR MAIL OR MAILPIECE)
S13	109	S12 AND S2
S14	65	RD (unique items)
S15	17	S3 AND S14
?		

#2

(N) 00241492/9

DIALOG(R) File 15:ABI/Inform(R)

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00241492 84-20052

Postal Rate Increases Deliver Latest Skirmish

Levin, Gary M.

Advertising Age v55n33 PP: 30, 32 Jun 14, 1984 CODEN: ADVAAQ ISSN:

0001-8899 JRNL CODE: ADA

DOC TYPE: Journal article LANGUAGE: English LENGTH: 2 Pages

ABSTRACT: A postal rate increase battle is currently raging between the direct-mail business and the newspaper industry. While direct-mail companies criticize newspapers for mailing shoppers under lower second-class rates unfairly, newspapers complain that such direct-mail firms as Advo-System benefit unfairly from 3rd class rate usage. The Postal Service insists that its labor-intensive business requires that time spent sorting mail be one of the criteria for determining mail costs. The American Newspaper Publishers Association (ANPA) disapproves of the free postal ride given Advo-System's detached label address card, which contains advertising on the back. ANPA also decries the 3rd class rate structure, which allows direct-mail firms to mail up to 4 ounces of preprints for the price of one ounce. A recent antitrust case in Virginia involving the Newport News Daily Press and Times Herald examined the method of allocating total market coverage (TMC) costs.

COMPANY NAMES:

Postal Service

DESCRIPTORS: Newspapers; Direct mail advertising; Postal rates; Publishing industry; Advertising media

CLASSIFICATION CODES: 8690 (CN=Publishing industry); 7200 (CN=Advertising); 9190 (CN=United States)

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#3

01221728/9

DIALOG(R) File 275:Gale Group Computer DB(TM)
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01221728 SUPPLIER NUMBER: 06862693

Sorting the mail. (Prism Data Services' Delivery Mode Code mail sorting system) (column)

Asner, Michael

Computing Canada, v14, n9, p24(1)

April 28, 1988

DOCUMENT TYPE: column ISSN: 0319-0161 LANGUAGE: ENGLISH

RECORD TYPE: ABSTRACT

ABSTRACT: The Delivery Mode Code (DMC), a mail sorting and documentation computer system from Prism Data Services, offers very good benefits at a low cost. Canada Post offers mailing rate reductions for firms sending over 5,000 letters a month. The system helps companies take advantage of Canada Post's rate reductions by: producing bills in proper sequence; summarizing the mailing charges; creating all documentation required by Canada Post and the physical mail preparation facility including the Post Office Statement of Mailing, Mail Handling Detail Reports, Bundle Labels, and Bag and Tray tags; and calculating the postage based on the results of sorting. The system is best for organizations spending more than \$5,000 a month on mailing, since it will pay for itself in about 18 months. DMC costs from \$10,000 to \$20,000 depending on the computer.

COMPANY NAMES: Prism Data Services--Product introduction

DESCRIPTORS: Mail Processing; Mail Preparation; Computer Systems; New Product; Cost Reduction; Product Introduction; Postal Service

TRADE NAMES: Prism Data Services Delivery Mode Code (Microcomputer)--Product introduction

FILE SEGMENT: CD File 275

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#4

00335556/9

DIALOG(R) File 2:INSPEC

(c) 2003 Institution of Electrical Engineers. All rts. reserv.

00335556 INSPEC Abstract Number: C72001088

Title: Letter mail sorting: an examination of cost and service

Author(s): Cohen, R.; McBride, C.; White, T.

Author Affiliation: Inst Defense Analysis, Arlington, VA, USA

Journal: Bulletin of the Operations Research Society of America
vol.19, suppl.2 p.B226-7

Publication Date: 1971 Country of Publication: USA

CODEN: ORSBAS ISSN: 0030-3666

Language: English Document Type: Journal Paper (JP)

Treatment: Practical (P)

Abstract: Abstract only given. The major variable cost in the US Postal Service is sorting letter mail. In recognition of this problem, the Postal Service has inaugurated a major research program to mechanise this activity. This study develops a generalized set of procedures for evaluating alternative mechanisation. Methods are developed for determining current costs and the effect of the level of service is examined. The procedures also include a linear programming model which maximises savings from mechanisation, given service constraints and hourly and daily volume fluctuations of different types of mail. Code sort systems, a prime mechanisation candidate, is evaluated using this methodology.

Subfile: C

Descriptors: materials handling; postal services

Identifiers: postal service; sorting; letter mail; linear programming
model; mechanisation; code sort systems

Class Codes: C3320B (Postal services)

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15/6,K/1 (Item 1 from file: 15)

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02162135 55104614

USE FORMAT 9 FOR FULL TEXT

Marketing without consent: Consumer choice and costs, privacy, and public policy

Spring 2000 LENGTH: 12 Pages

WORD COUNT: 11255

...TEXT: deal with such messages, such as opening email, answering the telephone, or disposing of direct **mail** messages. Mass media, in contrast, broadcasts messages to all consumers paying attention to such media. This **type** of media, such as television and billboards, often requires no specific action by consumers to...the greater benefit: the marketers.

For example, the marketing medium that today imposes the highest **costs** (annoyance) on consumers may be the telephone. Answering machines and services are promoted on the...

... some telemarketers ironically refer to as "courtesy calls," telephone regulators should conduct rate hearings to **determine** how much consumers would like marketers to be charged on a perminute basis for the...

... could be registered with each telephone number so that marketers could tell what it would **cost** on a perminute basis to speak to a potential consumer. Consumers would still be free...

... lack of interest in a particular offer quickly, which would thereby limit the time and **cost** of the call for both parties.

Another similar approach would be to provide people with...

... could flip a switch and begin charging marketers for the call as noted previously.

Direct **mail** could be treated in a similar fashion. Marketers using direct **mail** would be required to pay for return postage for any unopened item that consumers reject at the mailbox. Consumers then could take the **mail** they want from their mailboxes and rely on the Postal Service to return the rest for disposal or reuse by the marketer. Although consumers still bear the marketing **cost** of **sorting** through commercial **mail** and leaving unwanted pieces in their mailbox, computer scanning technology would make it relatively easy...

... who reject their mailings. Over the long run, both marketers and consumers would save the **costs** of unwanted mailings, but both would continue to enjoy mutually acceptable mailings. Consumers could choose...

...all-or-nothing remedy. This proposal also offers environmental benefits, because marketers would internalize the **cost** of disposing of or recycling rejected solicitations.

E-mail and Internet marketing, though less disruptive... could also experiment with purchasing the consent of other consumers but then monitor sales to **determine** if the number and amount of sales justifies paying certain consumers for permission for their...

... more accurately target interested consumers. They could charge more for these lists to cover the **costs** of buying consumer consent. These recommendations are summarized in Table 4.

One final question is...

... reduced under these proposals, marketing messages should be more

effective.

Table 4. Public Policy Recommendations

Determining which effect is likely to predominate is an important area for further research. Perhaps states with do not call lists could be compared with those without such regulations to **determine** if the greater screening expense is justified by a more receptive audience. Although a more...

... proposed here, this would be a good first step toward resolving the question whether the **costs** of regulation outweigh the benefits of regulation when only the marketers' **costs** and benefits are considered. The inclusion of consumer **costs** and benefits in the equation further complicates empirical research, but few estimates of consumer **costs** and benefits exist, so this is an important area to pursue.

Conclusion

Over the years... p. 2405). Surveys also suggest that most consumers say they do not look at direct **mail** solicitations and favor some regulation, even though most people also purchase products through the **mail** (Martin 1998, p. 836). On average, every dollar spent on direct marketing returns approximately \$10 in sales (Headden 1997, p. 44). People have very different views about the amount and **type** of marketing solicitations they wish Milne and Gordon 1993).

In this article, I have assumed...

15/6,K/2 (Item 2 from file: 15) 95
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01230649 98-80044

USE FORMAT 9 FOR FULL TEXT

The challenge to the U.S. postal monopoly, 1839-1851
Spring/Summer 1995 LENGTH: 24 Pages
WORD COUNT: 8774

...TEXT: mail companies never charged less than 2C on intercity mail.

The reason for the high **cost** of postal service was two-fold. First, high **sorting costs** and the obligation to run fixed routes at fixed times carrying nonoptimal loads raised the **cost** of all formal **mail** services. The greatest expense of regularity came in rural regions where a sulky or horseman... a very influential lobby in Washington. On the surface, horse, sulky and stagecoach contracts were **determined** competitively. Routes were auctioned off for four years. Allegations were made, however, that the bidding...

... or sulky. In Great Britain, where coach transportation was not subsidized, the average coach contract **cost** 5C per mile compared with 5.2 for an average horse or mail cart contract...

...Committee on Postage 1837-38: X(2), 251-52). In the United States, coach contracts **cost** more than horse and sulky contracts. In 1838 the average coach route **cost** 9.2C per mile while the average horse or sulky route **cost** 7.2C.

When postage rates were lowered in 1845, the new law also did away with transportation subsidies. The Post Office was still given discretionary powers in **determining** the minimum amount of equipment necessary to carry out a given contract, but for the...

... New England and New York contracts were renegotiated in 1845. The new contracts dropped the **cost** of horse, sulky, and coach transport by 45 percent per mile. The **cost** of coach transportation fell 49 percent from

7.3C per mile to 3.7C per...1.25 ounces, so the weight of franked mail sent was approximately 180 tons.

Franked **mail** took as much effort **sorting** as regular letter **mail**. **Sorting** newspapers was much easier. If one assumes that a newspaper could be sorted at only a quarter of the **cost** of a ...7.15 million franked items accounted for \$160,000 of the total \$990,000 handling **costs**. Assuming the ton/miles of franks equaled that of letter **mail**, the **cost** of transporting franked **mail** by rail or steam would have been equal to the **cost** of transporting letter **mail** --\$6,500. There is no good estimate of total transport **costs** for franked **mail**. Given the estimate that 2-ounce newspapers (with little handling **cost**) **cost** 1.6C, each, the transport **cost** of the 1.25-ounce documents probably would have **cost** at least .5C each, for a total of \$21,500. Total **cost** of franked material would, thus, be estimated at \$188,000. The estimate is a bit...New Hampshire (House Committee on the Post Office and Post Roads 1847-48: 27).

One **type** of private **mail** company remained legal. That was the city dispatch or penny post. Post roads ran between cities, not within them, so private mails delivering intracity **mail** were legal. An earlier intracity post had been established in late 1839, but it did...services were competing for business in New York City alone. At this time, having a **letter** picked up and delivered cost only 2. Having a **letter** taken to or delivered from a post Office cost a penny (Abt 1949b, Abt 1950...

15/6,K/3 (Item 3 from file: 15)
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1/96

01166917 98-16312

USE FORMAT 9 FOR FULL TEXT

Document distribution: The neglected link in the life cycle of records

Jan 1996 LENGTH: 7 Pages

WORD COUNT: 6269

...TEXT: RECORDS MANAGEMENT SOLUTIONS

Unfortunately, the problems with deciphering addresses are much more vexing for interoffice **mail** than for that which is handled by the U.S. Post Office or other couriers...

... S. Postal Service to be even "casually familiar" with the millions of potential addressees of **mail** in the United States is patently absurd, familiarity within a company of tens or hundreds...

... even thousands does not seem so ridiculous. Moreover, once people are accustomed to a certain **type** of service, they continue to expect it long after the conditions that warranted it have disappeared. For example, in my own agency, addressing interoffice **mail** with only a name and occasionally a department made sense when we numbered less than...

... even worked pretty well when we had a staff of 200. However, after that time, **mail** carriers found it significantly more difficult to recognize names and to know for sure the...

...they did recognize. Somehow the delivery system based on familiarity had to evolve into some **type** of standardized, consistent, location-based addressing system. But how do we know at what point...

... voluminous file groups require hierarchical, stringently logical, often numerically coded filing systems.

Applying this same **type** of pragmatic analysis to the development of addressing systems implies that we only add additional levels of **mail** -stop coding when they really become necessary to handle increased

organizational volume and complexity. This...

... an office with fewer than 100 employees probably does not need an elaborate system of **mail** stop codes. The names of people and departments are probably sufficient. Indeed, in such organizations, the **mail** carriers are often on a first-name basis with everyone. Involved **mail** -stop systems are required only when they make it easier to locate an addressee. At some point beyond the volume of 100 employees, names become less familiar, and **mail** -stop codes related to unchanging locations become necessary. This is especially true in organizational structures...

... on boxes identified only by location numbers, there is a whole range of possibilities, including **mail** stops associated with departments and secretarial work stations. The lesson from filing is that the... Besides, he might succeed and prove me wrong.)

LINGERING REMNANTS OF FAMILIARITY-BASED SYSTEMS

The **type** of evolution described above is probably similar to that experienced by many large organizations. However...

... is so large and impersonal. Other organizations, even if they have adopted some system of **mail** stops, often maintain a number of "familiarity-based" vestiges that are justified by precedent, as...

...rules to constrain the senders, who have "more important things to think about than addressing **mail** ." Maybe the most common of these is the habit of delivering **mail** to individual desks. Except where automated "**mail** mobiles" or automatic sorting machines using barcodes are employed, it is difficult to justify **mail** stops at individual desks even in organizations of less than 100 employees. Yet it persists...

... preferential treatment to a select few "prima donnas"--until I realized he was delivering my **mail** individually to my desk.

THE GAME OF ARROWS

Another of these traditional systems is a...wasteful in deciding what to include in a package; we also often choose the wrong **type** of packaging. It seems fairly logical that interoffice **mail** should go into interoffice I envelopes. These are wonderful, underrated inventions: They can be used ...

... to distinguish from regular envelopes and so eliminate the danger of being confused with outgoing **mail** destined for the Post Office.

Despite the marvelous simplicity of "thousand milers," we still manage to misuse them. For instance, some of us penny-wise **cost** -cutters take time to **type** address sheets and paste or tape them onto thousand milers that have been used up...

... dollar-foolish in terms of staff time expended, but also runs the risk of misdirected **mail** when the supplemental address sheet falls off. (And they will fall off.) A more serious...

... very often backfires. Just as the U.S. Post Office increases efficiency by very mechanically **sorting mail** by **type** and address zone, most mailrooms first sort interoffice **mail** from outgoing **mail** on the basis of the **type** of envelope. Consequently, in the best case, the interoffice **mail** in the regular envelope will be delayed until the mailroom catches it while applying postage to the outgoing **mail** . In the worst--and more likely--case, it will be sent out with the rest of the U.S. **mail** , only to be returned a week or two later stamped "ADDRESS UNKNOWN." Even if a... mail" (i.e., mail that most recipients neither need nor want). Mass mailers

*

have carefully **calculated** the **cost** of the likelihood of eliciting the response they desire from the audience to which they...

... receive them. The difference is that most of the time none of us has carefully **calculated** the **costs** versus the benefits of sending out such a distribution. Indeed, since there is no postage involved, we often seem to think there is no **cost**. Quite the contrary, the **cost** of interoffice junk mail is greater than that of external junk mail. Remember that, while ...

... much harm a commercial mass mailer, it will greatly damage an interoffice mass mailer. The **cost** of the recipient's resources in opening, reading, filing, and disposing of junk mail is not the commercial mass mailer's concern; the recipient **costs** of interoffice junk mail directly affect the interoffice mass mailer's organization. Interoffice mass mailings...

... need to weigh carefully the benefits that realistically can be expected against all of the **costs** incurred. Regular pruning of our distribution lists is an obvious means to reduce organizational **costs**.

STEPS TO TAKE

This column has been able only to touch upon several of the...

15/6,K/4 (Item 4 from file: 15)
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01099129 97-48523

USE FORMAT 9 FOR FULL TEXT

Implementation of EDI systems
Sep/Oct 1995 LENGTH: 7 Pages
WORD COUNT: 4060

...TEXT: can be decreased as typical paper transactions become electronic documents with electronically stored signatures. Decreased **costs** can be attributed directly to reduced activities such as the manual **sorting**, matching, filing and reconciling of **mailed** documents.

Customer service can be improved through improved access to information and decreased lead times...

...schedules which describe their product needs for the day.

By eliminating the use of regular **mail** and by decreasing the time needed to process an order transaction, product can be shipped...

... improved the relationship between trading partners. These improvements were identified by studying the number and **type** of contacts between partners, the impact of EDI on problem resolution, and the overall business ... which incorporate a process for evaluating information from the customer. Human intervention is required to **determine** the feasibility of meeting customer requirements. The company is currently working with the supplier of...

... difficulties, however, these have been resolved by the translation/mapping software firm at some additional **cost** to XYZ.

XYZ personnel described a limited number of benefits derived from the use EDI...

15/6,K/5 (Item 1 from file: 16)
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08064112 Supplier Number: 66747407 (USE FORMAT 7 FOR FULLTEXT)

(3) Bringing the Web into Customer Management. (Bringing the Web into Customer Management - Contact manager focuses on storefront integration and total customer relationships)

Oct 27, 2000

Word Count: 540

... detailed information about them, setting tasks related to them, following up on conversations and e- **mail** , **sorting** information according to contact, priority, task **type** , and more. A series of wizards helps you with a number of common tasks. (click...

...up Maximizer in the morning, check the orders from the Web site, and then start **sorting** the details about the orders by pre- **determined** criteria in order to start following up with your customers. Maximizer's built-in opportunity...

...from these orders to estimate the potential revenues from specific customers, in addition to estimating **costs** of fulfilling those opportunities. (click to see larger image) The ecBuilder wizard steps you through...

...most of them. The built-in word processor (which is reasonably good) creates notes, e- **mail** and fax messages, and you can **mail** and fax from Maximizer through existing e- **mail** and fax programs. You can create a marketing library consisting of a variety of file...

...limited marketing campaign creator. Reports such as sales pipeline analysis and account activity help you **determine** trends in order to plan strategy, but Maximizer's reports by themselves are essentially the...

15/6,K/6 (Item 2 from file: 16)

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08064091 Supplier Number: 66747386 (USE FORMAT 7 FOR FULLTEXT)

(2) Bringing the Web into Customer Management. (Bringing the Web into Customer Management - Contact manager focuses on storefront integration and total customer relationships)

Oct 27, 2000

Word Count: 540

... detailed information about them, setting tasks related to them, following up on conversations and e- **mail** , **sorting** information according to contact, priority, task **type** , and more. A series of wizards helps you with a number of common tasks. (click...

...up Maximizer in the morning, check the orders from the Web site, and then start **sorting** the details about the orders by pre- **determined** criteria in order to start following up with your customers. Maximizer's built-in opportunity...

...from these orders to estimate the potential revenues from specific customers, in addition to estimating **costs** of fulfilling those opportunities. (click to see larger image) The ecBuilder wizard steps you through...

...most of them. The built-in word processor (which is reasonably good) creates notes, e- **mail** and fax messages, and you can **mail** and fax from Maximizer through existing e- **mail** and fax programs. You can create a marketing library consisting of a variety of file...

...limited marketing campaign creator. Reports such as sales pipeline analysis and account activity help you **determine** trends in order to plan strategy, but Maximizer's reports by themselves are essentially the...

15/6,K/7 (Item 3 from file: 16)

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08055821 Supplier Number: 66744861 (USE FORMAT 7 FOR FULLTEXT)

(2) Bringing the Web into Customer Management. (Software Review) (Evaluation)

Oct 25, 2000

Word Count: 540

... detailed information about them, setting tasks related to them, following up on conversations and e- **mail** , **sorting** information according to contact, priority, task **type** , and more. A series of wizards helps you with a number of common tasks. (click...

...up Maximizer in the morning, check the orders from the Web site, and then start **sorting** the details about the orders by pre- **determined** criteria in order to start following up with your customers. Maximizer's built-in opportunity...

...from these orders to estimate the potential revenues from specific customers, in addition to estimating **costs** of fulfilling those opportunities. (click to see larger image) The ecBuilder wizard steps you through...

...most of them. The built-in word processor (which is reasonably good) creates notes, e- **mail** and fax messages, and you can **mail** and fax from Maximizer through existing e- **mail** and fax programs. You can create a marketing library consisting of a variety of file...

...limited marketing campaign creator. Reports such as sales pipeline analysis and account activity help you **determine** trends in order to plan strategy, but Maximizer's reports by themselves are essentially the...

15/6,K/8 (Item 4 from file: 16)

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08023327 Supplier Number: 66731200 (USE FORMAT 7 FOR FULLTEXT)

(3) Bringing the Web into Customer Management. (Maximizer 6.0) (Software Review) (Evaluation)

Oct 20, 2000

Word Count: 540

... detailed information about them, setting tasks related to them, following up on conversations and e- **mail** , **sorting** information according to contact, priority, task **type** , and more. A series of wizards helps you with a number of common tasks. (click...

...up Maximizer in the morning, check the orders from the Web site, and then start **sorting** the details about the orders by pre- **determined** criteria in order to start following up with your customers. Maximizer's built-in opportunity...

...from these orders to estimate the potential revenues from specific customers, in addition to estimating **costs** of fulfilling those opportunities. (click to see larger image) The ecBuilder wizard steps you through...

...most of them. The built-in word processor (which is reasonably good) creates notes, e- **mail** and fax messages, and you can **mail** and fax from Maximizer through existing e- **mail** and fax programs. You can create a marketing library consisting of a variety of file...

...limited marketing campaign creator. Reports such as sales pipeline

analysis and account activity help you **determine** trends in order to plan strategy, but Maximizer's reports by themselves are essentially the...

15/6,K/9 (Item 5 from file: 16)

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07955907 Supplier Number: 66447868 (USE FORMAT 7 FOR FULLTEXT)

Bringing the Web into Customer Management. (Bringing the Web into Customer Management - Contact manager focuses on storefront integration and total customer relationships) (Product Information)

Oct 27, 2000

Word Count: 506

... detailed information about them, setting tasks related to them, following up on conversations and e- **mail** , **sorting** information according to contact, priority, task **type** , and more. A series of wizards helps you with a number of common tasks. (click...

...up Maximizer in the morning, check the orders from the Web site, and then start **sorting** the details about the orders by pre- **determined** criteria in order to start following up with your customers. Maximizer's built-in opportunity...

...from these orders to estimate the potential revenues from specific customers, in addition to estimating **costs** of fulfilling those opportunities. (click to see larger image) The ecBuilder wizard steps you through...

...most of them. The built-in word processor (which is reasonably good) creates notes, e- **mail** and fax messages, and you can **mail** and fax from Maximizer through existing e- **mail** and fax programs. You can create a marketing library consisting of a variety of file...

...limited marketing campaign creator. Reports such as sales pipeline analysis and account activity help you **determine** trends in order to plan strategy, but Maximizer's reports by themselves are essentially the...

15/6,K/10 (Item 6 from file: 16)

DIALOG(R) File 16:(c) 2003 The Gale Group. All rts. reserv.

07939719 Supplier Number: 66296999 (USE FORMAT 7 FOR FULLTEXT)

Bringing the Web into Customer Management. (Maximizer 6.0 customer relationship manager) (Software Review) (Evaluation)

Oct 23, 2000

Word Count: 506

... detailed information about them, setting tasks related to them, following up on conversations and e- **mail** , **sorting** information according to contact, priority, task **type** , and more. A series of wizards helps you with a number of common tasks. (click...

...up Maximizer in the morning, check the orders from the Web site, and then start **sorting** the details about the orders by pre- **determined** criteria in order to start following up with your customers. Maximizer's built-in opportunity...

...from these orders to estimate the potential revenues from specific customers, in addition to estimating **costs** of fulfilling those opportunities. (click to see larger image) The ecBuilder wizard steps you through...

...most of them. The built-in word processor (which is reasonably good) creates notes, e- **mail** and fax messages, and you can **mail** and fax from Maximizer through existing e- **mail** and fax programs. You can create a

marketing library consisting of a variety of file...

...limited marketing campaign creator. Reports such as sales pipeline analysis and account activity help you **determine** trends in order to plan strategy, but Maximizer's reports by themselves are essentially the...

15/6,K/11 (Item 7 from file: 16)
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07933168 Supplier Number: 66268706 (USE FORMAT 7 FOR FULLTEXT)
Bringing the Web into Customer Management. (Bringing the Web into Customer Management - Contact manager focuses on storefront integration and total customer relationships) (Software Review) (Evaluation)
Oct 20, 2000
Word Count: 506

... detailed information about them, setting tasks related to them, following up on conversations and e- **mail** , **sorting** information according to contact, priority, task **type** , and more. A series of wizards helps you with a number of common tasks. (click...

...up Maximizer in the morning, check the orders from the Web site, and then start **sorting** the details about the orders by pre- **determined** criteria in order to start following up with your customers. Maximizer's built-in opportunity...

...from these orders to estimate the potential revenues from specific customers, in addition to estimating **costs** of fulfilling those opportunities. (click to see larger image) The ecBuilder wizard steps you through...

...most of them. The built-in word processor (which is reasonably good) creates notes, e- **mail** and fax messages, and you can **mail** and fax from Maximizer through existing e- **mail** and fax programs. You can create a marketing library consisting of a variety of file...

...limited marketing campaign creator. Reports such as sales pipeline analysis and account activity help you **determine** trends in order to plan strategy, but Maximizer's reports by themselves are essentially the...

15/6,K/12 (Item 8 from file: 16)
DIALOG(R)File 16:(c) 2003 The Gale Group. All rts. reserv.

03598507 Supplier Number: 45065604 (USE FORMAT 7 FOR FULLTEXT)
on budget production
Oct 17, 1994
Word Count: 1215

... at it as buying a service on its price," warns Graham Cooper, production director at **Mail** Marketing. "Look at the **type** of firm it is, ask for references and what other clients they are working for...

...pound)20 per thousand. Overall the firm saved (pound)6,000."
The final area of **cost** that needs to be closely monitored is postage. Mailsort offers important discounts to bulk mailers...

...the mailing house follows the right sequence when bagging up. Many now offer final bag **sorting** which means they can get the highest level of discount because outbound **mail** has already been sorted into final destination bags by the lettershop.

While budgets for mailings...brought in 14.5 per cent response.

The offer proved an important distinction, however, in **determining** response. Charity mailings spent just 37p on average for a response rate of

7/9,K/8 (Item 8 from file: 15)
DIALOG(R)File 15:ABI/Inform(R)
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00302280 86-02694

Presort for Postage Savings

Anonymous

Administrative Management v46n12 PP: 53 Dec 1985 CODEN: ADMAAF ISSN:
0884-5905 JRNL CODE: ADM

DOC TYPE: Journal article LANGUAGE: English LENGTH: 1 Pages

ABSTRACT: **Sorting** customer and vendor data files by ZIP Code can yield significant savings in postage. As little as 500 pieces sent First Class can qualify for a discount of up to 5 cents per letter. The more thoroughly the **mail** is presorted, the greater the discount. The US Postal Service (USPS) will lend users ZIP Code and carrier route information on computer tape for converting their files. A computer can be used to **determine** whether **mail** should be presorted by preparing a savings versus **cost** analysis. A mailing density analysis will indicate how much volume qualifies for First Class presorting discounts. These savings can then be applied by identifying recurring mailings, **determining** their frequency, and **calculating** the total annual savings. Presorted **mail** tends to reach its destination more quickly because of the steps eliminated at the post office.

DESCRIPTORS: Postal rates; Mail; Cost reduction; Software

CLASSIFICATION CODES: 5160 (CN=Transportation); 5240 (CN=Software & systems)

ABSTRACT: **Sorting** customer and vendor data files by ZIP Code can yield significant savings in postage. As...

... qualify for a discount of up to 5 cents per letter. The more thoroughly the **mail** is presorted, the greater the discount. The US Postal Service (USPS) will lend users ZIP...

... route information on computer tape for converting their files. A computer can be used to **determine** whether **mail** should be presorted by preparing a savings versus **cost** analysis. A mailing density analysis will indicate how much volume qualifies for First Class presorting discounts. These savings can then be applied by identifying recurring mailings, **determining** their frequency, and **calculating** the total annual savings. Presorted **mail** tends to reach its destination more quickly because of the steps eliminated at the post...

?t 00071066/9

00071066/9

DIALOG(R)File 15:ABI/Inform(R)

(c) 2003 ProQuest Info&Learning. All rts. reserv.

00071066 78-05379

How to Cut Costs in Your Mailroom

McPoland, Dennis H.

Association Management v30n3 PP: 68-72 March 1978 ISSN: 0004-5578

JRNL CODE: AMG

DOC TYPE: Journal article LANGUAGE: English

ABSTRACT: With postage rates and labor costs escalating, mailroom operations are becoming an area of increased concern to management. It is an area that requires regular analysis due to constant changes occurring within the organization itself and in the methods used for processing mail. Mailroom operations can be improved significantly by determining costs of labor, space, equipment, depreciation, maintenance, and overhead. Nine steps are recommended for improving mailroom efficiency and reducing costs: 1. analysis of the mailroom function, 2. checking the need for new equipment, 3. use of idle time between mail handling peaks, 4. proper space for an adequate job, 5. proper classification and clear-cut policy directives, 6. elimination of inefficient sorting and work methods, 7. getting the Postal Service into the act, 8. free classes and professional advice, and 9. study of outside services. If an outside mail service is considered, these questions should be asked: 1. Is tight security of the mail important? 2. Is quick turnaround necessary? 3. Are there any really critical reasons why the work cannot be done by an outside firm?

DESCRIPTORS: Mail; Mailrooms; Cost analysis; Cost reduction; Analysis; Efficiency; Improvements; Guidelines; Office equipment

CLASSIFICATION CODES: 5100 (CN=Facilities management); 3100 (CN=Capital & debt management); 8600 (CN=Manufacturing industries not elsewhere classified)

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#2

00241492/9

DIALOG(R) File 15:ABI/Inform(R)

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00241492 84-20052

Postal Rate Increases Deliver Latest Skirmish

Levin, Gary M.

Advertising Age v55n33 PP: 30, 32 Jun 14, 1984 CODEN: ADVAAQ ISSN:

0001-8899 JRNL CODE: ADA

DOC TYPE: Journal article LANGUAGE: English LENGTH: 2 Pages

ABSTRACT: A postal rate increase battle is currently raging between the direct-mail business and the newspaper industry. While direct-mail companies criticize newspapers for mailing shoppers under lower second-class rates unfairly, newspapers complain that such direct-mail firms as Advo-System benefit unfairly from 3rd class rate usage. The Postal Service insists that its labor-intensive business requires that time spent sorting mail be one of the criteria for determining mail costs. The American Newspaper Publishers Association (ANPA) disapproves of the free postal ride given Advo-System's detached label address card, which contains advertising on the back. ANPA also decries the 3rd class rate structure, which allows direct-mail firms to mail up to 4 ounces of preprints for the price of one ounce. A recent antitrust case in Virginia involving the Newport News Daily Press and Times Herald examined the method of allocating total market coverage (TMC) costs.

COMPANY NAMES:

Postal Service

DESCRIPTORS: Newspapers; Direct mail advertising; Postal rates; Publishing industry; Advertising media

CLASSIFICATION CODES: 8690 (CN=Publishing industry); 7200 (CN=Advertising); 9190 (CN=United States)

?

t 01221728/9

#3

01221728/9

DIALOG(R) File 275:Gale Group Computer DB(TM)
(c) 2003 The Gale Group. All rts. reserv.

01221728 SUPPLIER NUMBER: 06862693

Sorting the mail. (Prism Data Services' Delivery Mode Code mail sorting system) (column)

Asner, Michael

Computing Canada, v14, n9, p24(1)

April 28, 1988

DOCUMENT TYPE: column ISSN: 0319-0161 LANGUAGE: ENGLISH

RECORD TYPE: ABSTRACT

ABSTRACT: The Delivery Mode Code (DMC), a mail sorting and documentation computer system from Prism Data Services, offers very good benefits at a low cost. Canada Post offers mailing rate reductions for firms sending over 5,000 letters a month. The system helps companies take advantage of Canada Post's rate reductions by: producing bills in proper sequence; summarizing the mailing charges; creating all documentation required by Canada Post and the physical mail preparation facility including the Post Office Statement of Mailing, Mail Handling Detail Reports, Bundle Labels, and Bag and Tray tags; and calculating the postage based on the results of sorting. The system is best for organizations spending more than \$5,000 a month on mailing, since it will pay for itself in about 18 months. DMC costs from \$10,000 to \$20,000 depending on the computer.

COMPANY NAMES: Prism Data Services--Product introduction

DESCRIPTORS: Mail Processing; Mail Preparation; Computer Systems; New Product; Cost Reduction; Product Introduction; Postal Service

TRADE NAMES: Prism Data Services Delivery Mode Code (Microcomputer)--Product introduction

FILE SEGMENT: CD File 275

?

#4

00335556/9

DIALOG(R)File 2:INSPEC

(c) 2003 Institution of Electrical Engineers. All rts. reserv.

00335556 INSPEC Abstract Number: C72001088

Title: Letter mail sorting: an examination of cost and service

Author(s): Cohen, R.; McBride, C.; White, T.

Author Affiliation: Inst Defense Analysis, Arlington, VA, USA

Journal: Bulletin of the Operations Research Society of America
vol.19, suppl.2 p.B226-7

Publication Date: 1971 Country of Publication: USA

CODEN: ORSBAS ISSN: 0030-3666

Language: English Document Type: Journal Paper (JP)

Treatment: Practical (P)

Abstract: Abstract only given. The major variable cost in the US Postal Service is sorting letter mail. In recognition of this problem, the Postal Service has inaugurated a major research program to mechanise this activity. This study develops a generalized set of procedures for evaluating alternative mechanisation. Methods are developed for determining current costs and the effect of the level of service is examined. The procedures also include a linear programming model which maximises savings from mechanisation, given service constraints and hourly and daily volume fluctuations of different types of mail. Code sort systems, a prime mechanisation candidate, is evaluated using this methodology.

Subfile: C

Descriptors: materials handling; postal services

Identifiers: postal service; sorting; letter mail; linear programming
model; mechanisation; code sort systems

Class Codes: C3320B (Postal services)

?

5.3...

...while consumer durables spent (pound)1.90 to pull 5.5 per cent. The highest **cost** per pack was in office supplies, at (pound)2.01, but this pulled 9.1...

15/6,K/13 (Item 1 from file: 148)

DIALOG(R) File 148:(c)2003 The Gale Group. All rts. reserv.

09137212 SUPPLIER NUMBER: 18862139 (USE FORMAT 7 OR 9 FOR FULL TEXT)

Java app to replace paper forms for more bulk mailers. (Postal Service on-line application form) (Government Activity) (Brief Article)

Nov 4, 1996

WORD COUNT: 587 LINE COUNT: 00048

... the first of 13 forms is in the final test phase. The application automatically makes **calculations** about the **cost** and processing of bulk **mail**, once a user fills in the data fields. USPS uses this information to set up the **sorting** routines for a bulk mailing. The software will reduce errors in handling the **mail**, Hamel said.

"We were looking for software that customers could download to their own systems...

...to us," she said. The forms tell the Postal Service the postage on the bulk **mail** shipments, the **type** of **mail** and generally where the **mail** is going.

Direct Link

The Java test program is part of the agency's Direct...

#14 15/6,K/14 (Item 2 from file: 148)

8/95 DIALOG(R) File 148:(c)2003 The Gale Group. All rts. reserv.

08128561 SUPPLIER NUMBER: 17403453 (USE FORMAT 7 OR 9 FOR FULL TEXT)

Mailroom automation: not just for large-volume mailers. (includes related article)

August, 1995

WORD COUNT: 2427 LINE COUNT: 00195

TEXT:

When it comes to upgrading the mailroom operations for any business, the **cost** involved is often the **determining** factor. This is especially true where small- to medium-sized mailrooms are concerned.

... Improving Service

Those little vertical bars known as "barcodes" seem to be everywhere - even on **mail**. The automated **sorting** of the nation's **mail**, using barcodes, enables the Postal Service to provide the best service at the lowest possible **cost**. Automation provides for the most **cost**-effective, efficient and consistent **mail sorting**.

For the Postal Service, it all started in the early 1960s with the advent of...

...the Postal Service's use of an Optical Character Reader (OCR) which barcodes and sorts **mail**. Today, using the nine-digit ZIP Code and the last two digits of the street address or box number, an 11-digit barcode is sprayed on the **mail** for finer **sorting**. This extended barcode allows the Postal Service to sort **mail** in the most **cost** efficient, reliable and consistent way.

For example, one OCR, operated by two people, can sort 35,000 pieces of letter **mail** an hour. It would take more than 40 people to do that manually. The actual dollar savings achieved through postal automation can best be demonstrated by the **cost** of **sorting** a thousand letters. To manually sort a thousand letters it **costs** \$42. To sort a thousand letters with mechanized equipment **costs** \$19. But, if you sort those letters with

the Postal Service computer equipment, it **costs** only \$3. These **cost** savings are passed on to qualifying mailers as postage discounts for presorted and pre-barcoded...process today's mail.

Advanced Facer Canceler System (AFCS): This system faces, cancels, and sorts **letter mail** to one of seven separations, depending on the **type** of **mail**. Business reply **mail** is sorted at this point to capture and sort this **mail** quickly. All machine readable **mail** is taken to an OCR; pre-barcoded **mail** is taken directly to the Bar Code Sorter; and, script **mail** or other non-machineable letters are routed to the **Letter** Sorting Machines or Remote Bar Code Sorting System.

OCR: Scans an entire address on an...

15/6,K/15 (Item 3 from file: 148)

DIALOG(R) File 148:(c)2003 The Gale Group. All rts. reserv.

05176993 SUPPLIER NUMBER: 10814856 (USE FORMAT 7 OR 9 FOR FULL TEXT)

Small steps to big postage discounts. (Software Review) (specialized software from Arc Tangent Inc.) (evaluation)

June 25, 1991

WORD COUNT: 3923 LINE COUNT: 00305

... valid U.S. address information. The software provides almost all you need to maximize your **mail** dollar: list creation (including the ability to import data from database programs), intelligent list management to standardize addresses and identify **costly** duplicate addresses, mailing-label processing features that cover every function from **sorting** and printing labels to printing **mail** bag and tray labels built-in and editable postal rate information, and the ability to...

...handsomely). All you need to add are the addresses. HOW WE TESTED To exercise Professional **Mail** and Zip++, we used the nine-year-old mailing list of a PC user group...and especially with large lists, regular duplicate checking is perceived as too time-consuming.

Professional **Mail** lets you find and purge duplicates in several ways. The first and most obvious process is the exact match record. Professional **Mail** also lets you specify high, medium, or low levels of "near" duplicate matching, which searches...

...the program uses the Soundex index to find similar, though not exact, records. The last **type** of duplicate checking is via the match code fields, where you can use fields such...skip factor: in other words, printing a label for every 200th record.

One of Professional **Mail** 's most valuable feais its ability to conform to USPS rules and regulations. You can print labels in any index order or sort them according to USPS rules for different **mail** classes. Since the presort rules for each class of **mail** differ and are all fairly complicated and precise, this feature alone is worth the program's price. You can save money by automatically **sorting**, and the package can lower your postage **costs** via ZIP code and carrier route **sorting**.

After labels have been printed, Professional Mail will print sack and tray labels and required...

...market designed exclusively for envelopes (see "Name and Address for Less: Envelope Printers Cut Your **Costs**," PC Magazine, January 29, 1991). Professional Mail's Documents menu is where you create form letters. A text editor that works with look-up tables to **determine** document contents is included, and you can insert printer codes in the document for using...
...run via the Alt key in combination with a single letter macro script name.

Professional **Mail** 's \$695 list price is a bargain considering all the capabilities you get. Toll-free...idea to buy the service contract. Even without Arc Tangent's complementary program, Zip++, Professional **Mail** can save you time and money with its mailing list management capabilities

and postal rule and **sorting** information that would otherwise be **cost** prohibitive. ZIP++ AND NATIONAL DATABASE Zip++, Version 1.08, and the National Database (on CD-ROM) are simpler, yet more impressive than Professional **Mail** . Zip++ is a mailing address correction program. Correct addresses on mailing pieces can speed delivery, prevent **costly** returns, and present a better image to recipients who might wonder about the quality of a firm that sends **mail** with faulty addresses. Used in conjunction with the National Database, Zip++ can add correct ZIP...

15/6,K/16 (Item 1 from file: 20)
DIALOG(R)File 20:(c) 2003 The Dialog Corp. All rts. reserv.

19661879

Protecting America: Preventing the Next Hit: A NEWSWEEK Special Report assesses the state of our security in the face of terrorist attacks and offers concrete steps for making the country a safer place to live

SECTION TITLE: Special Report
November 05, 2001
WORD COUNT: 4915

... federal officials had speculated that the victim of the first, fatal case of anthrax by **mail** had been exposed to the deadly microbe while drinking out of a stream in North...

... of the eminently treatable cutaneous form. They assured us, too, that should an anthrax-laden **letter** pass through a postal center, no other piece of **mail** handled at that center would become dangerously contaminated. And they explained, patiently and slowly, that...

...Daschles office, where an anthrax-laced envelope arrived in October, but also at off-site **mail** centers serving the White House, the Supreme Court, the State Department (one of whose **mail** workers was diagnosed with inhalation anthrax) and the CIA. Anthrax also reached three sites in...
... the weekend, Postmaster General John Potter finally said it: There are no guarantees that (the) **mail** is safe. NO REASSURANCE There. It was as if a dam had broken. Within hours...

... while they might know a lot about bacteriology, theyd known next to nothing about how **mail** is handled (shaken, pounded and compressed) or what size envelope pores are. The not-ready...

... comes with risks, and life after the Twin Towers collapsed and anthrax began traveling the **mails** probably comes with more. But what risks do we have to worry about? Americans have...

... begun. Some are steps we know how to implement, and that require only will and **determinationqualities** that America has in abundance, at least for now. Others require technologies, or ways of...

... would help, as would better intelligence on cargo and foreign ports. Preventing further terrorism will **cost** money and convenience. Although, as even government leaders are at last acknowledging, the country can...

... all the volumes of all the studies over all the years on homeland security, the **mail** was never identified as a prime terrorist target. If it had been, then we might...little more than hopeon the standard pore size of a plain white envelope, on what **mail - sorting** machines do to the contents of an envelope, on what cleaning machines do to residues...

... live through a real-world experiment in which three people have already been murdered by **mail** , it is becoming clear that the **mail** is not nearly as safe as we once naively thought. But neither is it as...

... FORMING BACTERIA like Bacillus anthracis can live amid the tough conditions no food, no water in the **mail**. Clostridium botulinum, the bacterium that produces deadly botulism toxin, also forms spores, but they're anaerobic...

... that live only in living cells cannot survive without food and water. Yes, a terrorist could **mail** E. coli O157-tainted hamburger, or a vial of Ebola-laced blood, but neither would...

... Liquids like the nerve agents sarin and VX would evaporate before hurting anyone but the **mailer**. Explosives have a deadly record the Unabomber killed three and injured two but don't arrive in envelopes...

... escape through the 10-micron pores of a typical envelope, especially when squashed by postal **sorting** machines. What remains unknown is whether (and if so, how many) spores can cling to the outside of an envelope that passed through the same machines. Until that is **determined**, anyone concerned that his **mail** suffered this secondary contamination can invest in a fitted N-95 mask. The \$1.35...

... deadliest clumps of anthrax spores are 1 to 5 microns across. But don't bother microwaving **mail**. Microwaves heat by exciting water molecules, of which there are precious few in the fluffy...

... the University of Georgia. X-rays go even further. Although irradiation would not harm paper **mail**, it could damage electronic devices, film and some medicines. The Postal Service is already trucking **mail** from the Brentwood **sorting** center, which handled the anthrax-laced **letter** to Sen. Tom Daschle and where two workers died of inhalation anthrax, to irradiation facilities...

... facilities, says spokesman Greg Frey. Extending the screening might not be practical, though. To treat **mail** from the nation's 38,000 post offices would require 250 new distribution centers. The irradiation machines alone would **cost** an estimated \$2.5 billion. This new technology won't be cheap, Postmaster General John Potter said last week, but we are committed to spending what it takes to make the **mail** safe. - Air Travel: Don't settle for C+ on security Even after the Sept. 11 attacks...

... for example it operates just dozens of flights a day. To copy its vaunted system would **cost** billions of dollars in new equipment and bring the U.S. system to a near... full implementation of many of the proposed security steps would fall short of stopping a **determined** terrorist, particularly one willing to die. Matching bags to passengers, as security experts have demanded...

... plants, which typically is less than 5 percent pure, to be fashioned into a Hiroshima-**type** bomb: nuclear bombs contain uranium that is closer to 90 percent pure. The real danger... tell the public who else is at risk. In a smallpox attack, that hurdle would **cost** precious days and allow the contagion to spread. Transit officials got serious about bugs and...

15/6,K/17 (Item 1 from file: 636)

DIALOG(R) File 636:(c) 2003 The Gale Group. All rts. reserv.

03451136 Supplier Number: 47110628 (USE FORMAT 7 FOR FULLTEXT)

PROFESSIONAL SERVICES AND MANAGEMENT SUPPORT

Feb 10, 1997

Word Count: 1392

(USE FORMAT 7 FOR FULLTEXT)

TEXT:

...The work includes inputting data of Fishing Trip Reports (FVTR),

receiving, opening and date stamping **mail** ; reviewing and **sorting** reports; mailing out log books and participating in mass mailing of reports. All reports will...

...looking for a contractor to provide financial advisory services. The contractor will be required to **determine** and to report the following for the award and settlement of grants and contract: 1...

...proposed by prospective or current grantees and contractors; 4) the necessity and reasonableness of proposed **costs** in grant applications and contract proposals. This has been set-aside for small business, and...

...downloading a file from SAMSHA Bulletin Board System at 1/800/424-2294 or my **mail** to: Attention Mary Ann Dea, Contract Specialist, Division of Contracts Management, OPS, Substance Abuse and...

...is mid-March 1997. Requests may be by email: Rose M. Czubakoski@hud.gov or **mail** to: US Department of HUD, New York ASC, Chicago Contracting Branch, (5AAC), 77 West Jackson...

...Requests must be in writing and may be faxed to 410/278-0900/0901 or **mail** to US Army Garrison, Aberdeen Proving Ground, Directorate of Contracting (STEEP-PR-CS/Bid Clerk...

...of NASA Management/Executive/Development Programs. The work includes: design, development and conduction research to **determine** NASA specific human resources and organization development requirements; conduct organization and human resources development activities...

...in evaluating the effectiveness of NASA development activities,. NASA plans to award an indefinite quantity **type** contract for a period of one-year with four option periods. This has been set-aside 100% for small business. A due date has not been **determined** as yet but they anticipate a mid March 1977 date. Contact William Clement 202/358...

?pause
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15/9,K/2 (Item 2 from file: 15)
DIALOG(R) File 15:ABI/Inform(R)
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01230649 98-80044

The challenge to the U.S. postal monopoly, 1839-1851

Olds, Kelly B

Cato Journal v15n1 PP: 1-24 Spring/Summer 1995 ISSN: 0273-3072

JRNL CODE: CTJ

DOC TYPE: Journal article LANGUAGE: English LENGTH: 24 Pages

SPECIAL FEATURE: Charts Graphs References

WORD COUNT: 8774

ABSTRACT: Over the last decade, government postal systems around the world have been facing increasing competition largely stemming from the rise of alternative technologies. During the years 1839-1851, the US Post Office was in a similar situation. The federal government's legal monopoly over the mail in the first half of the 19th century was a monopoly over all intercity communication. Informal and illegal channels of communication had always existed, but their inconvenience and limited scope allowed the Post Office to earn huge monopoly profits. The transportation revolution lowered the cost of intercity transportation and communication in the 1830s and 1840s. Private companies met the change by offering low-cost transportation and communication. Competition, and pressure from consumer groups caused the Post Office to lower its rates in 1845 and 1851 by 79%. Privatization would have led to an 80% cut in federal civilian employees and the loss of thousands of lucrative transportation contracts. If rent-seeking groups could have been bought off with side payments, private companies might possibly have made communications in the US more efficient.

TEXT: Over the last decade, government postal systems around the world have been facing increasing competition largely stemming from the rise of alternative technologies. During the years 1839-1851, the United States Post Office was in a similar situation. Private competition arose that made effective use of railroad and steamship lines. This competition was so successful that a number of congressmen feared postal service was on the verge of an involuntary privatization. Because the monopoly profits garnered by the Post Office were important to politically powerful interest groups, the federal government did not allow postal service to be privatized. To eliminate private competition, however, the government was forced to reduce drastically postage rates and adopt many important reforms. The postal system arguably underwent more change in those 12 years than in the rest of its history.

The Post Office was the largest commercial enterprise in the ante-bellum United States. By mid-century, it employed 20,000 individuals. In 1831, three-fourths of all civilian federal employees worked for the Post Office. By the time of the Civil War, that fraction had risen to almost five-sixths (Historical Statistics of the United States 1960: 7, 710). Almost all of the employees were deputy postmasters or clerks. The majority were part-time. An even larger number of people worked under contract or for companies under contract to the Post Office. The contracts were mainly for transportation.

The Post Office's monopoly power allowed it to earn huge profits (or "rents") on important routes because few close substitutes for mail service existed. In many other countries, the national postal service earned significant revenue for the government's general fund. In Great Britain, the expenditures of the postal service during the 1830s yielded a profit of approximately 200 percent. The U.S. Post Office returned almost no revenue to the general fund. It usually reported losses. Large profits were being earned, but they were distributed internally. Giving out the postage revenues to groups with political power became the Post Office's second function. Measured monetarily, it was the Post Office's primary function.

Thomas Jefferson, suspicious of the Post Office, had written:

I view [the Post Office] as a source of boundless patronage to the executive, jobbing to members of Congress and their friends and a bottomless abyss of public money. You will begin by only appropriating the surplus of the post-Office revenues; but other revenues will soon be called in to their aid and it will be a source of eternal scramble among the members, who can get the most money wasted in their states; and they will always get most who are meanest [Jefferson 1892-99: IX, 324-25].

The government resisted subsidizing the Post Office until the 1850s, partly out of fear of that which Jefferson prophesied.

The Post Office's large hidden profits caused very high postal rates relative to the cost of transportation. Before the first price reform in 1845, the average one-page letter cost 14.5 postage (Post Office Department 1844). It was often noted in the New York press that one could ship a 200-pound barrel of flour down the Hudson from Troy to New York City for less than one could send a one-page letter over the same route (New York Tribune, 30 October 1843). The high postage was felt to be oppressive--especially after 1839. In 1839, the British reformed their postage system, dropping the postage charges from an average of 15 American to a flat rate of 2C per letter. Even more important, it was in 1839 that the U.S. Post Office first came up against significant formal competition.

Private companies deliver mail efficiently and at low rates. To defeat the private mail and express companies, Congress was forced to lower postage rates. Rates were lowered to an average of 6.3C per half-ounce letter in 1845. Private competition and postal reform agitation were temporarily checked, but did not cease. In 1851, Congress lowered postage further, to 3C per half-ounce letter.

Congress managed to avoid the privatization of postal services. Private competition, however, permanently changed postal service in America. Not only did it cause a drastic reduction in price, but it proved the usefulness and profitability of new techniques and services--such as postage stamps and intra-city delivery--which the Post Office then copied.

Operation of the U.S. Post Office

The U.S. Post Office transported consumers' mail between post offices. On busy routes, mail was delivered once or twice a day, but in smaller towns mail might be delivered as seldom as once every other week. Mail service can be considered a special form of transportation. It was much more expensive than the transport of freight or people. The average cost of transporting a one-page letter in 1843 through the Post Office was 14.5C. The average one-page letter weighed .25 ounce and traveled less than 500 miles, so the cost exceeded \$35 per ton-mile (Post Office Department 1844) or about 140 times freight rates on New England stage coaches ("Post Office Monopoly" 1843: 484). Even the least expensive private mail companies never charged less than 2C on intercity mail.

The reason for the high **cost** of postal service was two-fold. First, high **sorting costs** and the obligation to run fixed routes at fixed times carrying nonoptimal loads raised the **cost** of all formal **mail** services. The greatest expense of regularity came in rural regions where a sulky or horseman was often dispatched with a handful of letters. A route that generated too little revenue compared with its expenses was supposed to be cut back or discontinued but, in practice, the decision to cut back or abolish a route was often political.

The second and most important reason for the high cost was that postage served as a tax. The Post Office may not have been designed with this purpose in mind, but collecting monopoly rents (i.e., revenues in excess

of opportunity costs) for politically powerful interest groups soon became the Post Office's primary function. Six groups gained financially from the Post Office: (1) coach contractors, (2) rail and steamboat companies, (3) postmasters, (4) publishers of printed matter, (5) officials with the franking privilege, and (6) rural voters. The rents extracted by those groups accounted for most of the money paid for postage. In what follows, I present rough estimates of the magnitude of the rents.

Coaches

Coach contractors were a very influential lobby in Washington. On the surface, horse, sulky and stagecoach contracts were **determined** competitively. Routes were auctioned off for four years. Allegations were made, however, that the bidding on contracts was rigged. Government treated postal contracts as an unofficial means of subsidizing transportation. Where enough business existed, a coach line could transport more cheaply than horse or sulky. In Great Britain, where coach transportation was not subsidized, the average coach contract **cost** 5C per mile compared with 5.2 for an average horse or mail cart contract although the coaches generally carried more mail (Select Committee on Postage 1837-38: X(2), 251-52). In the United States, coach contracts **cost** more than horse and sulky contracts. In 1838 the average coach route **cost** 9.2C per mile while the average horse or sulky route **cost** 7.2C.

When postage rates were lowered in 1845, the new law also did away with transportation subsidies. The Post Office was still given discretionary powers in **determining** the minimum amount of equipment necessary to carry out a given contract, but for the following two years the agency seems to have carried out the spirit of the law. The New England and New York contracts were renegotiated in 1845. The new contracts dropped the **cost** of horse, sulky, and coach transport by 45 percent per mile. The **cost** of coach transportation fell 49 percent from 7.3C per mile to 3.7C per mile. Lower-grade horse and sulky transportation fell 21 percent from 4.4 per mile to 3.5C. Moreover, coach transportation, which had been used on 76 percent of the routes, was now used on only 49 percent of the routes (Post Office Department 1846). Extrapolating from those results, the Post Office predicted that \$1 million could be saved by ending the transportation subsidy; that is, nearly half of what was being spent for horse, sulky, and coach transportation. The saving of \$34,000 produced in the West the following year--somewhat more than predicted--confirmed the projection. There was some deterioration in service. The Postmaster General reported that deductions from the pay of contractors for failures and irregularities in 1846 totaled \$26,273, which was significantly more than normal (Post Office Department 1847).

Railroads

The federal government had an unstated policy of subsidizing railroad and steamship companies. Railroads dramatically lowered transport costs for the private sector, but the construction of railroads actually raised the price of mail transportation. In 1838, Congress passed a law requiring the Post Office to make use of railways as long as their charge was no more than 25 percent above the charge of coaches offering similar service. Railroad companies further argued that coaches could not offer "similar service" because they were slower than trains. Some railroad companies, therefore, claimed that they were legally entitled to W percent more than a coach would charge if it could travel as quickly as a train (Post Office Department 1842). In 1843, the Post Office compiled statistics comparing the price paid for the first year of service on all existing rail lines and the last year of coach service on the line before the railroad took over. On average, railroads cost 87 percent more than the coach service they replaced. The increase in costs was highest in the South, where the price rose 181 percent.

Railroads were facing a private sector with elastic demand. Although

hauling freight by wagon cost about 15C per ton/mile, railroads charged the private sector only about 5.5C per ton/mile (North 1973: 108). The government's demand was extremely inelastic. Officials believed they had a duty to transport mail by railroad or steamboat wherever possible to speed delivery. Otherwise, communications might fall into the hands of the private sector. The money that was spent simply came out of other groups' rents--groups that may have had less political pull than the railroad and steamboat companies.

To estimate how much this transportation cost, I use figures collected by the Post Office in 1843. In 1843, the Post Office spent \$800,000 on rail and steam service. Government statistics show the Post Office transported 2 million paying letters and 4.3 million newspapers (including 160,000 pamphlets) in October of 1843. Letters weighed approximately .75 ounce and newspapers 2 ounces, so that the Post Office was transporting 284.4 tons of newspapers and paying letters that month. As explained later in this section, the Post Office also transported about 15 tons of franked material per month, so assuming October was typical, the Post Office was transporting a total of almost 300 tons of material each month. If one very generously assumes that the average pound of mail traveled 500 miles and half this distance was covered by railroad or steamboat, (1) the Post Office would have been paying the railroad and steamboat companies an average of 88 per ton/mile--16 times the common rate for freight. The postmaster general stated that mail was shipped no differently than freight (Post Office Department 1846). Route agents were on some important lines by 1837. They sorted mail and thus required additional space (Scheele 1970: 43). Even if one assumes that transporting mail cost 50 percent more than shipping freight, the real cost of transportation by rail and steam would have been only \$74,500. Private express companies, which competed with the Post Office, paid nowhere near as much as the Post Office. For service between Washington and Cincinnati or Washington and St. Louis in 1849, express companies charged customers less than 4c per ton/mile (Senate Committee on the Post Office and Post Roads 1849-50: 7).

Patronage

In the 1840s, over 80 percent of the nonmilitary personnel working for the federal government were postmasters or postal clerks. The fact that each new administration caused heavy turnover in employees strongly suggests that service with the Post Office offered more than market wages. Postmasters were offered a proportion of the gross receipts at their post office and the ability to frank mail. In the case of small Offices, the ability to frank was often worth more than the salary (Congressional Globe 1846-47: A21). In some cases, a businessman in town would use his political connections to gain the position of postmaster simply for the frank. Then he would turn over the work to an assistant who would work for the salary (House Committee on the Post Office and Post Roads 1843-44b: 9). Some postmasters made profits (political, social, or economic) by franking mail for acquaintances. Competition for the rents gained through a postmastership often was vigorous.

When postage rates were lowered, the deputy postmasters' commission was not changed. The amount they received per letter fell by more than half and they lost their franking privilege. Many of the deputy postmasters would not accept this cut and resigned. The postmaster general adopted temporary measures to raise pay. In 1847, Congress set up the new commission schedule. Under this schedule, payments to postmasters across the board dropped about 30 percent from the pre-1845 level. The Post Office had no problem finding men who would work for those rates. Postmasterships continued to be counted valuable spoils. Lincoln was accused of being more concerned with filling postmasterships than with prosecuting the Civil War (Fuller 1972: 292).

Subsidizing newspapers was a government policy. It was publicly argued that the cheap transmission of public information was necessary to inform and educate voters. More cynically, the newspapers' influence on public opinion gave great political power and, thereby, encouraged the subsidy. Naturally, the public debate, which took place in newspapers, hardly questioned the desirability of low newspaper postage.

Before 1845, newspapers paid 1C postage for distances under 100 miles and 1.5C for distances over that amount. In addition, newspapers exchanged between printers went free. (2) The average newspaper cost 1.1C and weighed 2 ounces. Letters that weighed about one-eighth the average newspaper weight cost up to 16 times as much to mail. In 1843, more than twice as many newspapers were sent through the mail as were letters, and these were almost 97 percent of the paying mail by weight (Post Office Department 1844). Newspapers, however, paid less than 15 percent of the total postage (\$536,547 out of \$4,249,333). The Postmaster General informally estimated that newspapers had more than half their cost subsidized by letter mail (Post Office Department 1841). The First Assistant Postmaster General estimated in 1848 that the newspapers paid two-thirds of their cost (New York Evening Post, 26 December 1848). Any estimate of newspaper cost must be speculative. In view of the above figures, however, the First Assistant's estimate seems reasonably low--1.6C. If newspapers had been required to pay their proportion by weight of just the transportation cost (not including the rents), newspaper postage would have averaged more than 2.25C.

Franking

The most constant complaint in the press was the franking privilege of the government and particularly Congress. Because postage could be paid by the sender or receiver, mail was franked to and from Washington. Few could see the need for franking except members of government who described franking mail as an onerous duty. Addressing envelopes took a large chunk of time. As early as 1816, John Randolph described the House of Representatives as a "bookbinder's shop" (McMaster 1883-1914: IV, 360).

The frank was blamed for filling the mails with tons of useless speeches and other usually unread political material. Furthermore, those possessing the frank were often accused of abusing it for personal matters. Supporters back home would sometimes route their private correspondence through their congressional office. Members of Congress would accept and forward letters using the frank as a constituent service ("Post Office Reform and Uniform Postage" 1844).

Two attempts were made to estimate the amount of mail franked in the early 1840s. In October of 184, records were kept indicating that 130,744 letters were franked by deputy postmasters, 18,558 were franked by members of Congress, and 85,339 were franked by other government officials. Congress was not in session during that month, so congressional franking was low. While Congress was in session during 1841, a three-week survey of the outgoing Washington, D.C., mail showed that members franked 20,363 letters and 392,268 documents (mainly speeches). Using the 1841 figure to estimate mailing within an average 33-week session, and the 1843 figure to estimate extra-session mailing, I estimate that members franked approximately 300,000 letters and 4.3 million documents per year. Deputy postmasters franked 1.5 million letters, and other government officials franked 1 million letters. Persons "well qualified to form an opinion on the subject" believed that half the mail by weight went free ("Post Office Reform and Uniform Postage" 1844). If one includes newspapers, that estimate is untrue. If, however, one is speaking solely of letters and documents, such estimates were fairly accurate. Assuming the average single-page letter weighed .25 ounce and October was a typical month for paying letters, the weight of that class of mail sent in 1843 was 190 tons. Government documents were estimated to weigh 1.25 ounces, so the weight of franked

mail sent was approximately 180 tons.

Franked mail took as much effort sorting as regular letter mail. Sorting newspapers was much easier. If one assumes that a newspaper could be sorted at only a quarter of the cost of a letter, then the 7.15 million franked items accounted for \$160,000 of the total \$990,000 handling costs. Assuming the ton/miles of franks equaled that of letter mail, the cost of transporting franked mail by rail or steam would have been equal to the cost of transporting letter mail --\$6,500. There is no good estimate of total transport costs for franked mail. Given the estimate that 2-ounce newspapers (with little handling cost) cost 1.6C, each, the transport cost of the 1.25-ounce documents probably would have cost at least .5C each, for a total of \$21,500. Total cost of franked material would, thus, be estimated at \$188,000. The estimate is a bit low because there is no information on letters received by Congress.

Rural Voters

The subsidy of rural routes excited much controversy. Living in thinly populated areas entails higher transportation and communication costs. It is a common government policy to subsidize the higher rural costs. High-volume routes between the cities and large towns of the Northeast made sizable profits that were partially spent by politicians in creating and maintaining unprofitable low-volume routes for rural voters. Many, if not most, postal customers lived in rural areas, so monopoly rents distributed in this fashion helped offset the rents those customers were paying to other rent-seeking groups. Some rural customers may have collected more in rents than they paid out to other groups, but the real cost of service in even the most rural state was but 60 percent the postage raised within that state.

Rural subsidy became an important regional issue. In the North the relatively industrial states were profitable, while in the South all states but Louisiana lost money. In 1843, the Post Office was showing a profit of \$372,892 in the relatively urbanized state of New York. This represented a profit ratio of 62 percent. Meanwhile gross revenues of \$75,503 in North Carolina and \$125,862 in Alabama covered only 50 percent and 58 percent of total expenditures respectively.(3) That phenomenon led Northern radicals to count high postage rates as another oppression perpetrated by the Southern slavocracy (Cincinnati Weekly Herald, 6 September 1843, 17 November 1843, 16 August 1844; and Rochester Daily Democrat, 16 July 1844).

There is no accurate way to determine by how much urban areas subsidized rural areas. The postal statistics collected for Congress do record the amount of subsidy the more urbanized states of the Northeast were providing the rest of the country. In 1843, the seaboard states from Massachusetts to Maryland earned a total revenue of \$1.92 million. Expenditure in the region was only \$1.28 million. Thus, 33 percent of what postal patrons paid in postage was a subsidy to the remaining states. The remaining states earned only \$1.79 million, to offset just 74 percent of their expenditures of \$2.42 million (Post Office Department 1847-48).

Totaling the Rents

The estimates I have made are rough. They suffice to show the general magnitude of the rents distributed, which is all that can be done given existing data. Evidence from the post-1845 cost reductions indicates that horse, sulky, and coach contractors received prices that were at least 90 percent above market prices as a subsidy. Railroad and steamboat companies received much greater subsidies. Even if one assumes that something special about mail caused it to cost 50 percent more than regular freight to ship, the companies would still have been exacting rents 1,000 percent over costs. Finally, politically appointed deputy postmasters were receiving commissions 30 percent greater than those later found sufficient. Those

figures assume that after reform (1) coach contractors and postmasters were no longer receiving sizable rents and (2) deterioration in service was insignificant. Table 1 shows that given those estimates, almost 59 percent of letter postage paid went as rents to the three groups.

The total effect of the subsidy of printed matter and franking was that the 5.9 million letters, weighing 190 tons and paying \$3.76 million, had to support 59 million more items, weighing 3,407 tons and only paying \$569,000. This situation amounted to at least a \$437,000 subsidy, which was an additional 11.7 percent of letter postage.

Thus, more than 71 percent of the consumers' letter postage (including the rural voters) was being distributed as monopoly rents. Due to the subsidy paid rural states, monopoly rents were at least 81 percent of the postage paid in the seaboard states from New Hampshire to Maryland. Even in the remaining rural states, 61 percent of the postage paid was monopoly rent being distributed to one of the five groups (not including rural voters).⁴ The rents the U.S. Post Office was distributing, relative to its size, were similar in magnitude to the profit the pre-1839 British postal service produced more openly. The fact that the Post Office was extracting the rents made it possible for smaller companies to compete successfully in mail delivery.

The Challenge to the Post Office

The Post Office had always faced informal competition. As steamboats and railways spread, the competition intensified. Very often, people with letters to send would go to the railroad station or the steamship dock. They would find a respectable-looking gentleman going the same place as the letters they wished to send and ask him to carry them. He would either drop them at the post office where they could be picked up for a penny apiece or else leave them at some other central location agreed upon where they could be picked up without cost (House Committee on the Post Office and Post Roads 1843-44c: 3; Post Office Reform and Uniform Postage 1844). In that way, there was no tax to pay, the sender bore the sorting cost himself, and there was no extra cost of sending a man with a non-optimal load. For the convenience of their customers, hotels and taverns would set out boxes in which letters for various cities could be deposited. The boxes would then be sent along with travelers ("New Rates of Postage" 1843: 510; Rochester Daily Democrat, 2 April 1844).

Informal mail service was also important for personal letters traveling between the East and the frontier. Long-distance postage was 25d per sheet and Midwestern farmers were often strapped for cash. Personal letters were kept until an acquaintance happened to be traveling the right direction and then entrusted to him (New York Evening Post, 25 November 1843).

Among businessmen in big cities a semiformal system developed in which any businessman sending an employee to another city would put up a sign notifying others who would bring over their mail. Large merchants could send mail almost daily between Boston and New York by those mutual agreements. The New York Evening Post (16 February 1843) reported: "Merchants of standing declare that of all the letters they receive from Boston, Albany and Philadelphia, four-fifths come by private hand, free of expense, and not by mails or expresses."

Private mail contractors were legal as long as they did not compete with Post Office routes. The Post Office did not service areas that were too thinly populated. A writer in the New York Evening Post describes how his rural neighborhood had hired a contractor to pick up mail in the nearest town and deliver it weekly. In Wisconsin, the Post Office had refused a route to a still thinly populated area so a group of individuals agreed with the Post Office to manage the route themselves in return for the postage the route earned (New York Evening Post, 29 January 1844). In the

western United States, it was common for express companies to open up mail routes to mining camps and isolated towns in advance of the Post Office (Scheele 1970: 30-31).

The U.S. Post Office began facing formal competition in 1839. A convenient rail and steamship route had recently been opened and William F. Harnden began a New York to Boston express. Harnden's enterprise proved a success and within months a number of other express companies, using primarily rail and steam routes, had opened in imitation. Business focused on the densely populated Northeast but quickly spread to major cities throughout the United States and Canada. Originally, the expresses specialized in transporting money and packages. That was legal. Soon, however, letters were being sent piggyback within packages of goods, and boxes of letters were being shipped between cities. The express companies themselves began to accept "packets" that were essentially equivalent to letters. Their service was cheaper and reputedly quicker and safer (New York Evening Post, 18 February 1843 and 2 October 1843). In November 1843, Adams and Co. were brought to court on the charge of transporting letters outside the mail. The law, being written before the age of steam, was aimed specifically at private foot and horse posts. In a controversial decision, the judge ruled that the law did not apply to rail and steamship posts (New York Tribune, 12 April 1844). This decision was immediately hailed as a triumph for free enterprise and later heralded as the beginning of "a new era in our Republic" (Boston Evening Transcript, 27 July 1844). Private mail companies began to be formed openly.

The most controversial business was the American Letter Mail Company, organized by Lysander Spooner. Spooner was not a businessman but a radical political reformer. He set up a mail service between New York, Boston, Philadelphia, and Baltimore partly to make money but mainly as a challenge to the constitutionality of the postal monopoly. The Articles of Confederation of 1778 had vested the Congress with the "sole and exclusive right [of] ... establishing and regulating post offices" (Art. IX). The Constitution had simply granted "the power to establish post offices and post roads." This language led many, including Justice Joseph Story, to doubt whether the power the Constitution gave to set up posts and post roads was intended to be exclusive (Spooner 1971: I, 21; Priest 1975: 45-46). Spooner argued the postal monopoly was unconstitutional and in his newspaper advertisements he offered to cooperate with the government in bringing the issue in front of the Supreme Court if the government would leave his company unmolested until the issue was settled (New York Tribune, 20 January 1844). The Postmaster General was unwilling to cooperate, and Spooner was driven out of business after six or seven months due to fines, legal expenses, and the irregularity of his mail caused by government seizure (Spooner 1971, I: 14). Spooner also may have lost business to more efficient firms. While he riled the federal government with his "impudence" (House Committee on the Post Office and Post Roads 1843-44a), other mail companies--more intent on making a profit than making a point--kept a low profile and flourished.

The most successful private mail company was that of James w. Hale. Hale first worked for an express company on the Boston-New York route and formed his own post office about the same time as Spooner formed his. Hale, Spooner, and most other private mail carriers charged 6.25 cents per stamp or 20 stamps for \$1.00. Unlike the Post Office, which did not use stamps, private companies required payment of the sender. Hale's area of delivery was New England and the Eastern Seaboard as far south as Baltimore. In January 1845, after a year in business, his company had grown to 84 post Offices and had 260 employees (Boston Evening Transcript, 10 January 1845). This was still much smaller than the Post Office, which had 1,700 Offices in New England alone. Many small imitators of Hale existed in the New England area. A contemporary visiting Boston in August 1844 reported: "All along Court street on both sides of State street, and almost cheek by jowl with the government post office, you see these private establishments for

the transmission of letters and printed intelligence between the chief cities on the sea board, and from them to the principal towns far in the interior" (New York Evening Post, 3 September 1844). Mail companies sometimes cooperated. Small companies would maintain ties with big companies to enlarge the area of service (Bulkey 1978: 477-81).

Henry Wells, later of Wells Fargo, ran the most extensive service in upstate New York in company with Pomeroy and Livingston. In this area, letters to New York City had generally cost 25 per sheet. The new price of 5 generated great enthusiasm. Meetings were held in Lockport and other towns calling for a boycott of the Post Office until it quit harassing the private carriers and lowered its own rates to a competitive level (New York Evening Post, 8 August 1844). Henry Wells's company faced charges in the circuit court. The Post Office obtained convictions against Hale and Spooner in Pennsylvania and Maryland, but no jury in New York or New England would convict. Southern and Western cities were already served by express companies (New York Evening Post, 28 July 1843), but Wells's Letter Express Company was the first company specializing solely in letters to extend beyond the Northeast. For 10 per letter, it served the cities adjoining the Great Lakes as far as Duluth, Minnesota (Stimson 1851: 62-63; Scott's 1992 Specialized Catalogue of United States Stamps 1991: 283).

Rising competition stirred up calls for postage reform. State legislatures had been petitioning for postage reform as early as 1838. The postal reform movement became important after its first big New York City meeting in November 1843 (New York Tribune, 25 November 1843 and 27 November 1843). The reform movement among consumers, primarily businessmen, was strongly influenced by events in Britain.

The British postal service had ceased to grow after 1815. Private postal service had become widespread. In 1838, Rowland Hill caused a stir by proposing that the government adopt one low postage rate for all distances based on weight. He further proposed that postage be paid with the purchase of a stamp. Hill argued that the postal monopoly was not maximizing its profits. He argued that a drop in postal rates to a penny (2c American) would increase volume to such an extent that within a few years, profits would rise. His plan seemed to offer great benefits to consumers without serious harm to government profits. In 1839, British postage was cut to 2 for .5 ounce. The following year the volume of mail increased by 122 percent and then continued to rise. Costs increased only 13.5 percent the first year. The postal service remained profitable, but its gross receipts per capita did not regain their 1839 level for over a decade.

Post Office officials argued that postage could not be lowered in the United States because the population was much more dispersed than in Britain. The British postal service was cushioned by its large profits, but a fall in revenue in the United States would force a cutback in rents. The Post Office proclaimed that the first rent-seeking group cut would be the rural voters in the South and West. If that did not balance the budget, the shortfall would be made up by higher tariff rates. Such tactics won the Post Office strong support in many rural states. Consumer groups countered by pointing out that the proliferation of private mail services already was causing a great drop in revenue. The government might have the legal power to shut down those services, but it was unwilling to face the political ire such an action would incur (House Committee on the Post Office and Post Roads 1843-44c: 5). The consumer groups welcomed such services but preferred a cheap universal government service. Reformers insisted that demand for postal service was elastic and promised that low postage rates would cause revenues to increase over the long run. Any immediate shortfall could be met by eliminating patronage and the frank (New York Tribune, 8 December 1843, 15 January 1844, and 6 December 1844).

In March 1845, Congress passed a law that lowered postage rates to 5c per .5 ounce under 500 miles and 10c per .5 ounce over 500 miles. Those were roughly the rates private companies charged. The law also closed loopholes

to more effectively protect the government monopoly and tripled the fine for violations. The new system went into effect July 1, 1845. The express companies announced they would no longer handle letters (Daily Picayune, 8 July 1845). Most of the private mail companies seem to have gone out of business. Reports of continued private service included companies that delivered between large cities and the surrounding towns for 2c (New York Evening Post, 29 November 1845), a fast high-price letter express linking markets in New York City and New Orleans (New York Evening Post, 29 January 1845; Post Office Department 1846), and private routes in New Hampshire (House Committee on the Post Office and Post Roads 1847-48: 27).

One **type** of private **mail** company remained legal. That was the city dispatch or penny post. Post roads ran between cities, not within them, so private mails delivering intracity **mail** were legal. An earlier intracity post had been established in late 1839, but it did not deliver to and from the post Office and soon failed (Abt 1949a). The first such successful American company was the City Despatch Post in New York City. This company was opened by Alexander M. Grieg in February 1842 and was purchased by the government after a few months in operation. In June 1844, John Boyd opened another private intracity delivery service. He began with twice-daily door-to-door deliveries and soon expanded to four. He collected from over 200 drop stations, gradually increasing the number to approximately 2,000. He undercut the City Despatch Post's price by a penny and soon drove them out of business. Boyd's intracity delivery service, along with that of D.O. Blood in Philadelphia, became a model for hundreds of similar services. In the late 1840s, a dozen services were competing for business in New York City alone. At this time, having a **letter** picked up and delivered cost only 2. Having a **letter** taken to or delivered from a post Office cost a penny (Abt 1949b, Abt 1950).

Sometime during the late 1840s, express companies once again began delivering letters between major cities in the Northeast (Post Office Department 1849). They now provided the service for 2C per letter (Congressional Globe 1850-1851: 234-36). I found no details concerning this service. Earlier experience had taught private mail services to be very discreet. In spite of the renewed private service, Post Office revenues were increasing. Patronage, franking, and transportation subsidies had been trimmed. Congress was pleased with the increase in revenues brought about by the 1845 price cut and was worried private competition might once more begin to flourish. In 1851, therefore, Congress once more cut postage--this time to 3C per .5 ounce for any distance (except mail to and from the West Coast). The Post Office was given the right to declare city streets post roads. Almost all private intracity delivery was eliminated by 1860. The business established by Boyd in New York is possibly the only exception (Abt 1950: 371-80).

The Effects of Competition

The U.S. Post Office found the express and mail companies a serious threat. The Committee on Post Office and Post Roads reported in May of 1844:

Events are in progress of fatal tendency to the Post Office Department and its decay has commenced. Unless arrested by vigorous legislation, it must soon cease to exist as a self-sustaining institution, and either be cast on the treasury for support, or suffered to decline from year to year, till the system has become impotent and useless [House Committee on the Post Office and Post Roads 1844: 2].

The pressure of competition from private firms was responsible for bringing about lower postage rates. It was also responsible for changing the nature of postal service. Private companies introduced payment-by-weight, prepayment, postage stamps, and home delivery to the American market. Those reforms were adopted afterward by the Post Office. Private expresses bit into Post Office revenues almost immediately. Post

Office revenues per person peaked in 1839 and continued to decrease until after the 1845 reform. Determining how much of the decrease was caused by private competition and how much was caused by the 1839-43 recession is not possible. From 1830 to 1839, Post Office revenue per person grew by 7.2 percent per year. By 1839, it reached 26.9 per capita. It fell to 21.3 in 1844 when government postage was finally lowered (see Figure 1). Unfortunately, there is no direct evidence as to the amount of mail delivered privately, so any estimate of the scale of private mail service must be speculative. If one assumes that overall postal services per person did not grow at all from 1839 to 1845, the figures would show that private enterprise had taken over 20 percent of the market as measured by revenue (at U.S. Post Office prices). If one assumes that the lower price of private mail stimulated the market for mail service so that it grew 5 percent per year, for example, then the figures would show that private enterprise had gained a much greater 40 percent market share. From 1839 to 1844, revenue in all regions suffered. As shown in Table 2, revenue from the Gulf states fell farthest. Until the early 1840s, the Gulf states spent more money on postage per free individual than any other region. A high percentage of Gulf mail was to and from the Northeast. Before the advent of the express companies, the Post Office probably faced less informal competition on those long routes than on the shorter Eastern routes. Private mails began to flourish toward the end of fiscal year 1844 and lasted through fiscal 1845. The drop in Post Office revenue per capita during that year centered in New York and included other Mid-Atlantic states and southern New England. Although the economy was strong in that year, New York State postal revenues dropped approximately 10 percent.

The lowering of postage rates in 1845 from an average of 14.5C to an average of 6.3C caused an immediate drop in revenue per capita of only 21 percent. Within three years the Post Office was running a surplus and within five years postal receipts per capita were back at the 1845 level. From 1846 to 1851, postage revenue per capita grew 9.7 percent per year. The short-term fall in revenues put the squeeze on those who were capturing rents from the postal system. Of them, only the newspapers gained. (Newspapers delivered less than 30 miles became postage free. That privilege was revoked in 1847.) Publishers had generally supported lower postage and had either convinced lawmakers that what was good policy for letters would also be good policy for printed matter, or else had simply impressed lawmakers with their political influence. Railroad and steamboat companies also managed to maintain their rents, as did rural voters. The groups that suffered were the stagecoach contractors, government officials outside of Congress, and deputy postmasters. As previously noted, reform meant an end to the official policy of subsidizing transportation. Such subsidies were not ended completely, but they were drastically scaled back in the Northeast and West and were trimmed elsewhere. The political power of the coach contractors seems to have been eclipsed by that of the railroads. Congress also ended franking privileges for all groups except themselves. Deputy postmasters were hit hard by the reform. They were paid by commission. Their earnings per letter declined with the cost of postage.

The second reform, in 1851, was not as evidently successful. In 1845, growth in postal revenues per capita had been in decline with little hope for reversal without major reform. In 1851, in spite of renewed complaints against private express companies, Post Office business was booming. The cut in rate to 3 for all letters again caused only a 21 percent drop in revenues. Revenue per capita returned to its 1851 level by 1860, and the price cut was hailed as a success. If the government's goal, however, was to maximize revenue or hidden profits, it is not evident that this price cut succeeded.

The price cut in 1845 showed that demand was least elastic in the South. Revenue fell much more sharply here than elsewhere (see Table 2). Overall, there appear to have been fewer substitutes for Post Office service in the South. The industrial states' subsidy of the more rural Southern routes

became larger after 1845, but Southern politicians were unhappy with the cutback in transportation subsidies. Reformers realized that the quick growth of postal revenue made getting another reform bill through Congress much more difficult.

To sidestep opposition by rent-seeking groups, the law included a section directing the Postmaster General not to cut back services. Any shortfall in revenue was to be met by money from the general fund (House Committee on the Post Office and Post Roads 1847-48: 73). The new law broke down the firewall that had restricted rents and gave the rent-seeking groups access to the general revenue. Jefferson's fears proved true. Transportation expenditures, particularly in the South, rocketed. In 1845, opponents of postal reform had predicted that cheaper postage would mean throwing the support of the Post Office on the Treasury. The Charleston Mercury had prophesied that this change would destroy the Post Office's financial responsibility and that "in ten years you will have it cost you ten millions of dollars" (House Committee on the Post Office and Post Roads 1847-48: 26).

The prediction of the Mercury was made true after the 1851 reform. The Post Office's expense was \$9.97 million in 1855. By 1860, postal expenditures of \$19.2 million dwarfed the \$8.5 million earned. East of the Mississippi, transportation costs per mile had risen from 5.9¢ in 1850 to 10.0¢ in 1860. The 1851 reform fundamentally changed the nature of the postal monopoly. Before 1851, the six rent-seeking groups drew their money from high postal prices that acted as a tax on letter writers. After 1851, the money was distributed through the Post Office but came largely from the general revenue. The great increase in subsidies the change entailed indicates that the political cost of redistributing money from the general revenue was significantly less than taking it directly from letter writers.

Besides driving down Post Office prices, private companies introduced a number of reforms that originated in Great Britain. Private mail companies first introduced to the United States the practice of charging mail by weight. This practice was imposed on the Post Office in 1845, although the Postmaster General remained uncomfortable with the new principle (Post Office Department 1846). An important aspect of the pay-by-weight plan adopted was that the generous .5-ounce allowance for single postage made the widespread use of envelopes possible. Another innovation was a simplified scale of postage. Hill had pointed out that the cost of transporting mail in bulk over large distances was extremely low so charging by distance was not cost effective (Coase 1939). Great Britain, therefore, adopted a flat 2¢ rate. Private mail companies in the United States began with a flat rate and moved to a two-tier system. In 1845, the Post Office began imitating that system and in 1851 adopted a flat rate. The simpler rate system combined with prepayment led directly to the use of stamps. Prepayment had been optional and little used in the United States. Complaints of letters not reaching their destination were common and payment on delivery was an incentive to better service. Private mail companies insisted on prepayment. They thus lowered handling costs by using stamps and avoided the loss due to unclaimed letters. Customers accepted prepayment in a competitive system. If the company failed to deliver, the recourse was to give someone else one's business. After 1847, the Post Office began to use stamps, but stamps did not become standard until 1856—one year after prepayment was made obligatory.

Finally, private mail companies began home and Office deliveries. In the United States, government letter carriers delivered out-of-town mail in the largest cities for 2¢ per letter, but the first intracity mail services were private. Private intercity mail companies made a practice of delivering door-to-door free within the towns and cities they served. Private mail companies could not afford small rural post Offices, so to extend their coverage they offered to deliver to any residence within 30 miles of one of their post Offices for an extra 5 (Rochester Daily

Democrat, 13 August 1844). Between 1851 and 1860, the Post Office gradually took over the intracity business in the most populous centers. Door-to-door delivery was eventually made free and extended to large towns. The Post Office did not imitate the rural service of the private companies. Rural delivery was not attempted until the turn of the century, when it was finally offered as a free service.

Conclusion

In the first half of the 19th century, the federal government's legal monopoly over the mail was a monopoly over all intercity communication. Informal and illegal channels of communication had always existed, but their inconvenience and limited scope allowed the Post Office to earn huge monopoly profits. The government's policy of running the Post Office on a "nonprofit" basis simply channeled the rents (profits) to powerful political groups who were in a position to draw directly from the Post Office coffers. Those profits gathered from the U.S. Post Office were of the same magnitude as the profits earned more openly by the British postal service.

The transportation revolution lowered the cost of intercity transportation and communication in the 1830s and 1840s. Private companies met the change by offering low-cost transportation and communication. The Post Office, facing no formal competition, at first kept its prices fixed. As costs dropped, monopoly profits increased. The profits became large enough to draw competitors despite the legal risk. That competition, and pressure from consumer groups, caused the Post Office to lower its rates in 1845 and 1851 by 79 percent.

The effect of private competition went beyond the drop in postage rates. An equally important effect was the introduction of new techniques into the U.S. market. The most important innovations were prepayment with stamps and intracity pickup and delivery. The Post Office showed no sign of adopting such innovations until they were successfully used by private companies.

A private postal system was probably not a realistic possibility. Privatization would have led to an 80 percent cut in federal civilian employees and the loss of thousands of lucrative transportation contracts. Some rural areas may have faced higher postage prices, and politicians played that threat to the hilt. If rent-seeking groups could have been bought off with side payments, private companies might possibly have made communications in the United States more efficient; such side payments were never attempted.

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1 Fewer than 20 percent of paying letters traveled more than 400 miles. More than half traveled fewer than 150 miles (Post Office Department 1844).

2 Exchanging newspapers was the primary source of obtaining nonlocal news before wire services were created.

3 These Post Office figures count the rents extracted by the other rent-seeking groups as expenditures.

4 This assumes that the proportion of costs to rents was constant across states.

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COMPANY NAMES:

Postal Service

GEOGRAPHIC NAMES: US

DESCRIPTORS: Postal & delivery services; History; Monopolies; Privatization
; Federal government

CLASSIFICATION CODES: 8350 (CN=Transportation industry); 9190 (CN=United

States); 9550 (CN=Public sector)

...TEXT: mail companies never charged less than 2C on intercity mail.

The reason for the high **cost** of postal service was two-fold. First, high **sorting costs** and the obligation to run fixed routes at fixed times carrying nonoptimal loads raised the **cost** of all formal **mail** services. The greatest expense of regularity came in rural regions where a sulky or horseman... a very influential lobby in Washington. On the surface, horse, sulky and stagecoach contracts were **determined** competitively. Routes were auctioned off for four years. Allegations were made, however, that the bidding...

... or sulky. In Great Britain, where coach transportation was not subsidized, the average coach contract **cost** 5C per mile compared with 5.2 for an average horse or mail cart contract...

...Committee on Postage 1837-38: X(2), 251-52). In the United States, coach contracts **cost** more than horse and sulky contracts. In 1838 the average coach route **cost** 9.2C per mile while the average horse or sulky route **cost** 7.2C.

When postage rates were lowered in 1845, the new law also did away with transportation subsidies. The Post Office was still given discretionary powers in **determining** the minimum amount of equipment necessary to carry out a given contract, but for the...

... New England and New York contracts were renegotiated in 1845. The new contracts dropped the **cost** of horse, sulky, and coach transport by 45 percent per mile. The **cost** of coach transportation fell 49 percent from 7.3C per mile to 3.7C per... 1.25 ounces, so the weight of franked mail sent was approximately 180 tons.

Franked **mail** took as much effort **sorting** as regular letter **mail**. **Sorting** newspapers was much easier. If one assumes that a newspaper could be sorted at only a quarter of the **cost** of a ... 7.15 million franked items accounted for \$160,000 of the total \$990,000 handling **costs**. Assuming the ton/miles of franks equaled that of letter **mail**, the **cost** of transporting franked **mail** by rail or steam would have been equal to the **cost** of transporting letter **mail** --\$6,500. There is no good estimate of total transport **costs** for franked **mail**. Given the estimate that 2-ounce newspapers (with little handling **cost**) **cost** 1.6C, each, the transport **cost** of the 1.25-ounce documents probably would have **cost** at least .5C each, for a total of \$21,500. Total **cost** of franked material would, thus, be estimated at \$188,000. The estimate is a bit... New Hampshire (House Committee on the Post Office and Post Roads 1847-48: 27).

One **type** of private **mail** company remained legal. That was the city dispatch or penny post. Post roads ran between cities, not within them, so private mails delivering intracity **mail** were legal. An earlier intracity post had been established in late 1839, but it did... services were competing for business in New York City alone. At this time, having a **letter** picked up and delivered cost only 2. Having a **letter** taken to or delivered from a post Office cost a penny (Abt 1949b, Abt 1950...

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Document distribution: The neglected link in the life cycle of records
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ABSTRACT: Since most documents are still in a paper format, and "workflow" in most offices is still a route of paper, document distribution can continue to be referred to as an overlooked phase of a record's life cycle. A little research will reveal that the most usual cause for communications glitches is not incompetence in the mailroom, but rather negligence in preparing documents for distribution - in particular, faulty addressing habits. Principles developed by records management for document filing should apply to document distribution. Not only is mail often addressed improperly and packaged poorly, it is sometimes sent to the wrong people. Perhaps the most wasteful office practice associated with packaging interoffice mail is the amount of excessive paper stuffed into an envelope. A plan for improving document distribution must be developed in the context of organizational records management, not just as an isolated concern of the mail room.

TEXT: In the beginning, records managers focused on the end--the disposition of documents no longer needed in active files. With the introduction of the "record life cycle," records managers began to pay attention to the creation, use, and active storage, as well as the disposition, of records. The life cycle theory also paid lip service to "record distribution," but it was not until records managers became involved with "workflow," as a by-product of their interest in storing documents as electronic images, that the movement of documents became a central concern. Workflow's attention to the flow of information between creation and disposition, as well as between the action events in the document's life, finally gave recognition to the fact that businesses are not composed of disconnected events. It finally accorded some long neglected respect to the principle that a process, no matter how perfect its beginning and end, is no stronger than its weakest link. Yet even now, this interest in workflow only rarely escapes electronic parameters to include the movement of paper documents. Hence, since most documents are still in a paper format, and since "workflow" in most offices is still a route of paper, we can continue to refer to document distribution as an overlooked phase of the record's life cycle.

ADDRESSING

That paper document distribution receives little of our attention is at first glance rather surprising. Since the most frequent response to any processing failure is "it must have been lost in the mail," the function of distributing paper documents would seem to warrant more of our attention. Of course, in the back of our minds, we know that the mailroom is often just a scapegoat for mistakes made elsewhere. Unless we are to assume that the mailroom clerks have entered into some dark conspiracy against the organization that employs them, we must assume that there is a communication failure between these clerks and those of us who deposit our treasures to be delivered. A little research will reveal that the most usual cause for such communication glitches is not incompetence in the mailroom, but rather negligence in preparing documents for distribution--in particular, faulty addressing habits. Examination of this negligence suggests that we are probably lucky that mail clerks are able to decipher correctly as many of our eccentric addressing instructions as they do. Our response to this problem has almost always been to emphasize the need to train the clerks--train them to understand the workings of the organization, train them to think like everyone else thinks. Since this approach has not been too successful, perhaps we should try the second alternative: Train ourselves and other senders to consider how a rational mail clerk will interpret the addressing instructions that we leave with them.

FAMILIARITY VS SYSTEM

While the task of addressing mail has not received any definitive philosophical treatment, it is fairly easy to recognize two schools of thought, both supported by reasonable assumptions. The first we might label "The Advantage of Familiarity." The basic idea of this theory is that mail with addresses which are quickly recognized is more quickly and easily delivered than that which must be "decoded." For example, I can drive from Los Angeles to my parents' home in Ft. Worth, Texas, without even thinking, but I have no idea what their nine-character zip code is. Therefore, if we were delivering their mail, an address of "Mother and Dad" would not only be less work to write than "Mr. and Mrs. B. H. Sanders, 3812 Wilkie Way, Ft. Worth, TX 76133-????," it would also ensure a quicker, more accurate delivery.

The other school of thought on addressing (best represented by the Post Office's Domestic Mail Manual) begins with the not-too-incredible assumption that most mail is not composed of letters hand-delivered by children to their parents. To the contrary, the volume of mail, as well as the variety of addressees and locations, means that addresses will rarely be "familiar." "Mother and Dad" would become a "mystery" address--unfortunately a mystery whose defiance of solution is not all that uncommon for most business mailrooms. Once the volume and diversity of mail make it impossible to rely upon the mail carrier's familiarity with the addressee, it is necessary to develop rational, consistent systems of mail codes. The goal of such systems is to enable any carrier who understands the system to deliver mail even when he or she is completely unfamiliar with the addressees or locations. It also has the advantage of facilitating the various levels of course and fine sorting which are necessary to accelerate delivery in a larger organization.

THE US POSTAL SERVICE AND ADDRESS STANDARDIZATION

Those of us who are older (a group which sadly now includes me) can remember when even the U.S. mail was based somewhat more upon familiarity. We knew our mail carriers, and they knew us--and our dogs. If a piece of mail for us accidentally contained the address of the next door neighbor, the carrier neither gave it to the neighbor nor sent it back. He put it in our mail box without a second thought. If we could not remember the correct abbreviation for Mississippi, we wrote MISS or MISSI or MISSIP--and it still got there. Zip codes were an interesting concept, and we even occasionally used them--if they happened to be available. But it didn't really matter. Bar-coding an envelope was unknown; if we had seen one, we would probably have suspected a letter bomb and called the police.

Yet as the population, the volume of mail, and the competition in delivering it very quickly increased, the Post Office could no longer tolerate such personalization of addresses. Wisely avoiding dictatorial regulation, the Post Office began to offer discounted rates for standardized, logically consistent addressing practices that enable the Post Office to automate its procedures, and thereby to reduce costs and accelerate processing. These rules make it possible to replace letter-carrier familiarity with machine certainty: bar-codes to reflect the precise location of the addressee; mail already presorted into groups of the same zip code; and even letters arranged in the order of carrier delivery. Of course, to make these automated features effective, the rules must specify the precise location of each element of these addresses, as well as insist upon the replacement of hard-to-decipher, handwritten hieroglyphics with standard, typed characters. Although we complain about having to "do more for less" postal service, most companies find adherence to the presorting rules worth the savings they reap. Even more important is the implicit assurance that, because it will be handled first, mail which is "automation ready" will arrive at its destination within the shortest time possible--which, in my experience, has meant "next day delivery" within our metropolitan area. The Post Office's rule-based standardization

and automation has worked. Indeed, even though we would never admit it to the Post Office, to pay anyone \$.28 in 1995 U.S. currency to carry a presorted envelope across a metropolitan area within twenty-four hours or across the country within two days is still quite a bargain.

INTEROFFICE MAIL DISTRIBUTION PROBLEMS AND SOME RECORDS MANAGEMENT SOLUTIONS

Unfortunately, the problems with deciphering addresses are much more vexing for interoffice **mail** than for that which is handled by the U.S. Post Office or other couriers. This is not too hard to understand: While expecting the U.S. Postal Service to be even "casually familiar" with the millions of potential addressees of **mail** in the United States is patently absurd, familiarity within a company of tens or hundreds or even thousands does not seem so ridiculous. Moreover, once people are accustomed to a certain **type** of service, they continue to expect it long after the conditions that warranted it have disappeared. For example, in my own agency, addressing interoffice **mail** with only a name and occasionally a department made sense when we numbered less than 100 employees. It still even worked pretty well when we had a staff of 200. However, after that time, **mail** carriers found it significantly more difficult to recognize names and to know for sure the current locations of the ones they did recognize. Somehow the delivery system based on familiarity had to evolve into some **type** of standardized, consistent, location-based addressing system. But how do we know at what point, to what extent, and in what fashion familiarity should be replaced by standardization?

Faced with this problem, I began searching for expert advice, only to realize that some of the best advice on the subject was available from my own records management background. In particular, records management's experience with filing systems can be quite useful in fashioning addressing systems. The application of the principles of document filing to the process of document distribution should not be so surprising: After all, filing documents is really nothing more than distributing them to the proper file addresses. From the standpoint of document processing, file folder labels are very similar to postal addressees. It stands to reason that principles developed by records management for document filing should apply to document distribution.

The general guidelines records managers have developed for filing systems are especially helpful in deciding where "familiarity" should optimally give way to "logical system" in document distribution. For the question of how detailed a mail-stop designation needs to be is not dissimilar from the question of how many levels of classification are required for filing. To be sure, the existence of elaborately convoluted classification systems reminds us that additional file classification levels have often been invented just to impress those susceptible to superficial appearances. But from the standpoint of results, the rule should be the practical insistence that classification levels are to be added only if they make it easier to locate a file. The test is pragmatic, not theoretical. For document filing, this practical guideline was already stated in the first edition of Maedke, Robek and Brown, *Records and Information Management*, p. 118: A set of files contained in two drawers or less can be best organized using a simple alphabetic series of familiar headings, whereas more voluminous file groups require hierarchical, stringently logical, often numerically coded filing systems.

Applying this same **type** of pragmatic analysis to the development of addressing systems implies that we only add additional levels of **mail**-stop coding when they really become necessary to handle increased organizational volume and complexity. This explains why an office with fewer than 100 employees probably does not need an elaborate system of **mail** stop codes. The names of people and departments are probably sufficient. Indeed, in such organizations, the **mail** carriers are often on

a first-name basis with everyone. Involved **mail** -stop systems are required only when they make it easier to locate an addressee. At some point beyond the volume of 100 employees, names become less familiar, and **mail** -stop codes related to unchanging locations become necessary. This is especially true in organizational structures that frequently realign as a result of one-time projects and rapidly changing, ad hoc staffing arrangements. Naturally, between a delivery system based on face recognition and one relying on boxes identified only by location numbers, there is a whole range of possibilities, including **mail** stops associated with departments and secretarial work stations. The lesson from filing is that the decision of which variation to choose must be made on solid, empirically derived, practical grounds. There is no a priori right or wrong.

A closely related practical question encountered in both filing and document distribution is how many times a group of documents should be sorted. In a relatively small, alphabetical file, there is normally but a single sort-by initial letter. However, once documents are classified at more than one level, it is more efficient to sort at each level. If an additional level of sorting is not necessary, the chances are that the added classification level was unnecessary. This principle can also be applied with good results to document distribution. In distributing documents in a small organization, a single sort by a responsible secretary is sufficient. As an organization becomes so large and complex either in terms of organizational structure or locations that a single sort is inefficient, an additional sort should be added for each level of addressing, e.g., building, floor, department, mail stop.

Although all of the above may seem too self-evident to bear mentioning, it is not always so obvious in practice. Most of us with experience in either filing or distributing documents can remember the absurdity of "someone" walking down the aisle of file cabinets or the wall of mailroom cubicles just to deposit a single document in its place. (Dare we admit that sometimes we were the "someone" involved in this wasteful practice?) I can still remember repeating this procedure time after time, as if I were in a daze, when our mailroom staff was absent during a strike. As a result, I finally got home at 10 p.m., rather than 7 p.m. Dealing exclusively with the next item on the pile is undoubtedly the simplest course of action in both file room and mailroom: It requires no planning and very little thinking. It is also a very inefficient way to work. I should have remembered the general records management rule to sort documents at every level of classification before filing them. The rule is the same for the mailroom: If the mail is addressed with justified building, floor, department, and mail stop codes, there should be a sort for each.

THE SAGA OF NICKY

There is, however, one very important difference between filing documents and distributing documents: Few filing clerks develop strong personal friendships with their file categories, whereas the relationships between mail carrier and mail recipients are often among the most human and lasting associations to develop in the work place. Consequently, although document distribution should mimic document filing principles in ranking volume and complexity as the most important considerations in determining the structure of an organization's address codes, the unique characteristics of the organization and its staff are also important. In my own experience, the interplay between the requirements of organizational size and complexity on the one hand and the influence of personalities and individual eccentricities on the other is epitomized by Nicky Astilla who has worked in our organization as a mail carrier since he first immigrated to the United States in 1988 from the Philippines.

From the beginning, Nicky was dedicated to the ideal of being the perfect mail carrier. Whenever there was even the slightest suggestion that he might have misdelivered something, he began to perspire as though he had just been accused of first-degree murder or selling state secrets to the

enemy. Whenever a piece of mail could not be located, he spent his lunch and breaks searching for it, and sometimes he continued the search long after closing time until he was successful. He would never say no to a request for a special favor, even though it might require his running throughout the building at top speed just to stay on schedule. Our organization even created a special "Roadrunner" award to commend his efforts.

Although not very proficient in English, Nicky worked very hard to learn the spelling and pronunciation of every staff member's name, as well as the department and location where each worked. When Nicky first began to work with us, we were an organization of only 100, but we grew steadily over the next five years to over 500. By that time, most of us knew only a fraction of the staff, but Nicky made a point of introducing himself to each employee. Then, after work and on weekends, he memorized each name, location, and departmental affiliation. He became synonymous with delivery based upon familiarity. When I couldn't remember someone's name, I could just describe how he or she looked, and Nicky could tell me the name, how to spell it, and where the person was located. He was literally on a first-name basis with each of our 500-member staff!

As long as Nicky was the only mail carrier, there was no need for an address that included anything more than a first or last name, but the situation outgrew even his remarkable talents. For one thing, the growth in staff forced us to hire another mail carrier who had not spent years memorizing staff names and locations--and was unwilling to give up his weekends to do so. Addresses containing only a first or last name were no longer sufficient. Secondly, Nicky became a U.S. citizen and was able to bring his wife and children from the Philippines, a series of events that must have reduced the time available for his after-work "hobby" of memorizing staff names. Finally, our organization of 500 merged with another organization of 10,000, making the system of mail distribution based on name recognition impossible even for Nicky's Rolodex memory.

With this large, newly merged agency with its very fluid organizational structure, we required a system based on logical codes that were related to locations rather than departments or persons and that would facilitate multiple sorts. Actually both previous organizations had already developed intermediary address systems that used departmental numbers as the address codes. Yet, as a result of merger and reorganization, many departments found themselves with employees in multiple locations. Even more importantly, large segments of the organization had begun to implement the currently popular matrix organizational structures, in which work units are composed of members representing several departments. As a result of both of these developments, departmental address codes became difficult to maintain, despite ingenious systems of suffixes to identify spatially separated departmental segments. Finally, faced with Nicky's frustration of trying to maintain this complex, make-do system of suffixes, as well as with the challenge of moving the entire organization into new quarters within a period of three months, all of us--even Nicky--had to adjust to an impersonal system of location-based addresses composed of building, floor, and mail-stop codes. The lesson of this story is not the inevitable replacement of familiarity-based systems or the inherent superiority of impersonal, location-based systems, but rather the need to reevaluate mail distribution systems continually as organizations evolve--especially when they become larger and more complex. Although the mail-stop system was a real blow to Nicky's pride, he recovered quickly--and began to memorize everyone's mail code. Somehow I did not have the heart to tell him that the new system made such memorization unnecessary and that such a task was impossible. (Besides, he might succeed and prove me wrong.)

LINGERING REMNANTS OF FAMILIARITY-BASED SYSTEMS

The **type** of evolution described above is probably similar to that

experienced by many large organizations. However, all of us will find it more difficult than has the United States Postal Service. For the success of USPS in converting into an impersonal, efficient system was at least partly due to the fact that the agency is so large and impersonal. Other organizations, even if they have adopted some system of **mail** stops, often maintain a number of "familiarity-based" vestiges that are justified by precedent, as well as by the lack of rules to constrain the senders, who have "more important things to think about than addressing **mail** ." Maybe the most common of these is the habit of delivering **mail** to individual desks. Except where automated " **mail** mobiles" or automatic sorting machines using barcodes are employed, it is difficult to justify **mail** stops at individual desks even in organizations of less than 100 employees. Yet it persists. I used to be very self-righteous in upbraiding Nicky for offering such preferential treatment to a select few "prima donnas"--until I realized he was delivering my **mail** individually to my desk.

THE GAME OF ARROWS

Another of these traditional systems is a favorite among engineers. Perhaps inspired by their training, engineers and many quantitatively oriented managers are enamored with graphic addressing that utilizes circles, bold lines, triangles, and various other graphic shapes. This procedure nearly always involves annotating a letter or memo and using an arrow to redirect it to someone else. Sometimes, this procedure involves nothing more than crossing out the "TO:" and "FROM:" on a memo and drawing a large arrow pointing to the name of the memo's originator. Often the memos are sent back and forth several times. Eventually, the memo will contain multiple arrows going back and forth with little indication as to which is the last one.

Some of the resulting documents actually become graphic masterpieces of "office art," documents whose creative blends of circles, lines, arrows, and colored marks are often more interesting than their contents. Our mailroom employees enjoy tracing the evolution of these graphic creations, which typically proceeds as follows:

- * The project manager's secretary stamps the document with a list of all who should receive it and places highlighted copies in her out-basket for each name.
- * The owner of one of the highlighted names scrawls a reply and draws an arrow back to the manager's name.
- * The manager circles the reply and draws an arrow in another color to the originator's name, as well as to two of the names on the stamped list;
- * As if frustrated by the mailroom's success in deciphering earlier encrypted addresses, one of these copies comes back to the mailroom with a scrawled note but no address that can be discerned (despite the 30-minute investigation of three mailroom clerks, who finally return it to the manager).
- * The manager's secretary caustically scolds the mailroom for not paying enough attention and delivering the document to the wrong place.

DISTRIBUTION LIST ROULETTE

Almost as exasperating to mail carriers as arrows drawn all over the page are distribution lists. The distribution list can actually be an efficient way of sending messages. Significant time is saved by eliminating the task of individually addressing each piece. However, the practice is often abused. Sometimes the sender assumes that, because he knows everyone on the list, the mail carrier will have no difficulty in finding them. Most of us have seen distribution lists with only names, sometimes names of people

from other organizations that the mail carrier has no way of knowing. Adding injury to insult, senders often provide the mailroom with only one copy and a list of 100 or so names--challenging the carriers not only to find where the addressees are but to copy and address the pieces as well. Quite often these are notices for a "crucial" meeting that is scheduled for the next day. Of course, the fact that mail centers often stay late to comply with such excessive demands, just as they bestow favors on selected prima donnas and play detective in determining which arrow is the last one, is partially to blame for the continuation of such practices. A mail center that has refused to deal with "addressing by arrow" or mystery distribution lists is almost as guilty as the offending senders who assume the "mail center will take care of it" just as they always have.

PACKAGING AND HOW MUCH TO INCLUDE

Although addressing is the most important concern in document distribution, there are others, such as how an item is packaged. Perhaps the most wasteful office practice associated with packaging interoffice mail is the amount of excessive paper stuffed into an "envelope" (which in many cases becomes so engorged as to be better described as a bundle). It is easy to trace the origins of this practice to the amazing ease with which photocopy machines disgorge reams of paper just waiting to be distributed. As if by magic, hundreds of employees look up to find their in-baskets crushed under the weight of a 500-page document they had not expected--do not recognize--do not want--and do not understand. The contents, of course, vary from organization to organization, but here is a personal list of such packages (none of them sent for records management purposes) that have recently forced me to replace my plastic in-basket with a metal one:

- * a 200-page bus rescheduling plan, with which I had nothing to do;
- * a three-inch-thick benefits package that affects neither me nor the staff reporting to me;
- * an in-depth legal briefing regarding the organization's latest lawsuit;
- * the week's newsclippings;
- * a four-volume copy of a construction contract specification and drawings, which I will neither file nor review;
- * a 20-page explanation of the annual goals and objectives of the MIS department, of which I am not a part.

It is not really fair to blame the copy machines for producing these copies--they only facilitate the process. We, the office workers who supply instructions to the copiers, are the real culprits. Why do we do it? Do we have some neurotic, competitive urge to stuff more paper in more bundles than anyone else? Do we do it to retaliate against the guy in the next cubicle who did it to us? More likely, we were just too lazy to review our distribution list carefully or ask whether a given enclosure was really necessary. Sometimes I also have the distinct impression that we unconsciously assume that the importance given to what we are sending will be directly proportional to the weight of the package. Whatever the reason, we should bear in mind the cost of what we are doing, a cost that includes

- * Photocopying charges;
- * Distribution cost (Distributing 25-pound bundles to everyone cannot just be "included in the regular mail run"; the resulting overtime is not inexpensive.)
- * Recipients' time to evaluate and dispose of materials;

* Likelihood that the piece that really did need to be saved will be mixed up and thrown away by recipients with all of the material they really do not want, need, or understand.

It is not only that we are sometimes wasteful in deciding what to include in a package; we also often choose the wrong **type** of packaging. It seems fairly logical that interoffice **mail** should go into interoffice I envelopes. These are wonderful, underrated inventions: They can be used multiple times, to save money; indeed, where I work, we call them "thousand milers." They have handy tie or sticky, reusable fasteners, which eliminate accidental loss while facilitating insertion and extraction of materials. They are filled with holes, so that we can know instantly whether we have or have not removed the contents. They have clearly marked address lines to facilitate delivery. They are easy to distinguish from regular envelopes and so eliminate the danger of being confused with outgoing **mail** destined for the Post Office.

Despite the marvelous simplicity of "thousand milers," we still manage to misuse them. For instance, some of us penny-wise **cost**-cutters take time to **type** address sheets and paste or tape them onto thousand milers that have been used up--a miserly practice that is not only dollar-foolish in terms of staff time expended, but also runs the risk of misdirected **mail** when the supplemental address sheet falls off. (And they will fall off.) A more serious practice is to avoid using thousand milers altogether. This is done for a couple of reasons. The first is not without justification: To avoid the labor of inserting and addressing packages that are being distributed to multiple recipients, we staple a cover sheet with the names and addresses of all the recipients and highlight or underline a different name for each package. As mentioned above, so long as the bundles are firmly stapled and the name--well as the address--is unmistakable, there is little to criticize in this practice. The second reason, however, is not so rational. In this situation, the sender elects to use a fresh, regular envelope because the contents are confidential, "too important," or too time-sensitive to be put into a mundane thousand miler. This tactic very often backfires. Just as the U.S. Post Office increases efficiency by very mechanically **sorting mail** by **type** and address zone, most mailrooms first sort interoffice **mail** from outgoing **mail** on the basis of the **type** of envelope. Consequently, in the best case, the interoffice **mail** in the regular envelope will be delayed until the mailroom catches it while applying postage to the outgoing **mail**. In the worst--and more likely--case, it will be sent out with the rest of the U.S. **mail**, only to be returned a week or two later stamped "ADDRESS UNKNOWN." Even if a piece of correspondence is very confidential, its envelope (marked "CONFIDENTIAL") should be placed inside a thousand miler.

THE URGE TO WRITE EVERYONE

Not only do we often address our mail improperly, include too much in it, and package it poorly, we sometimes send it to the wrong people. I have previously discussed our infatuation with sending excessive memos as symptomatic of an irrational attachment to paper. I have since come to the conclusion that shyness is another explanation. I know in my own case, it is easier to state my case on paper than to argue it in person. When I must convince someone in person or over the phone, I must first overcome my basic shyness; indeed, sometimes I am so awed by the person that I write out what I am going to say and practice it as intently as though it were an acceptance speech for receiving the Nobel Prize. Even then, being somewhat slow in thinking on my feet, I am not at all sure that I will be able to deal effectively with counterarguments to my proposals. So I write a memo. Unfortunately, the memo, which is really a coward's way out, is much less likely to elicit the response or support I need. In almost every case, the response will be slower to a memo than that to a visit or phone call. In many cases, the recipient does not really understand what is being said, and responds in a totally irrelevant manner. Thus, although the link may at

first seem far-fetched, training in assertive oral communication skills may be a significant aid in improving document distribution.

Even when we still decide a given communication should be in writing, we need to examine critically the length of the distribution list. We are all familiar with the shotgun principle of "junk mail" (i.e., mail that most recipients neither need nor want). Mass mailers have carefully **calculated** the **cost** of the likelihood of eliciting the response they desire from the audience to which they send their pieces. Even though the per cent of favorable responses may be only one or two per cent, the mailing may still be worthwhile. While we may accept the logic of this practice, it is still disturbing to think of all the wasted resources in sending mail to persons who do not want or need it. This is a waste not only in postage, but also in the time required to prepare, insert, read, and dispose of the materials sent. There is also to be considered the loss of good will from the recipients of junk who each day must wade through it.

Interoffice junk mail is not different in principle. We send our memos and packages to "All Staff" knowing full well that only a small per cent need to receive them. The difference is that most of the time none of us has carefully **calculated** the **costs** versus the benefits of sending out such a distribution. Indeed, since there is no postage involved, we often seem to think there is no **cost**. Quite the contrary, the **cost** of interoffice junk mail is greater than that of external junk mail. Remember that, while the loss of recipient good will probably not much harm a commercial mass mailer, it will greatly damage an interoffice mass mailer. The **cost** of the recipient's resources in opening, reading, filing, and disposing of junk mail is not the commercial mass mailer's concern; the recipient **costs** of interoffice junk mail directly affect the interoffice mass mailer's organization. Interoffice mass mailings can amount to a considerable invisible expense. Before we send anything to multiple recipients, we need to weigh carefully the benefits that realistically can be expected against all of the **costs** incurred. Regular pruning of our distribution lists is an obvious means to reduce organizational **costs**.

STEPS TO TAKE

This column has been able only to touch upon several of the concerns of document distribution that need to be examined carefully. A few preliminary recommendations seem to be in order.

Addressing Systems

- * There is no single answer to addressing systems. The choice must be based upon the size, eccentricities, and complexity of the organization--just as the choice of a filing system is based upon the volume and kinds of documents in the file. Larger, more complex organizations will require mail-stop codes that do not rely on the mail carriers' familiarity with the addressees, that are more location-oriented, and that facilitate multiple, rapid sorting.

- * Even more important than which system is selected is the enforcement of it: Preferential delivery arrangements, encrypted hieroglyphic addressing graphics, and distribution-list games should not be tolerated.

- * It is as important to educate the senders as it is the mail staff on addressing procedures. Senders must learn to analyze critically and seriously:

- * whether a document actually needs to be sent;
- * to whom it needs to be sent;
- * what attachments are really necessary; and

- * and whether the item is properly prepared for quick, easy delivery.

In training the senders, it is wise to learn the Pavlovian behavioral modification techniques developed by the U.S. Post Office: Return items that are addressed incorrectly to the sender and offer inducements to those senders willing to take the time to address mail in a manner that facilitates distribution. The inducement most likely to reap results is a promise of more rapid delivery.

Electronic Help

- * Mailroom processes have long been prime candidates for office automation. A good deal of this automation focuses on outgoing mail:

- * Software-printer packages organize and print address data bases in presort--or even carrier route sequence--order.

- * Integrated mail machines automatically fold and insert contents, determine weight, meter postage, and close the envelope.

- * With the intense competition among carriers for expedited mail, electronic systems to permit rate-shopping between different carriers has become very popular. Rate-shopping shipping systems can afford considerable dividends where there is a large volume of expedited mail and where contracts or billing arrangements with multiple vendors are possible. However, our experience has been that the choice between vendors becomes a matter of always choosing the same vendor to provide a particular service (e.g., rush local, overnight air, or two-day ground) and that the way to save the most money is to sign an exclusive contract that assures large discounts--although it precludes rate-shopping.

- * Although the automation of incoming and interoffice mail distribution has not been so readily available to most of us, there are signs of its arrival:

- * Some lucky mailrooms (e.g., the Walt Disney Studios in Burbank, California) have installed elaborate systems that affix barcodes to incoming mail to enable a huge sorter to sort all mail into mail-stop bundles. Unfortunately, this system costs more than most organizations can afford; it also requires data entry of the addressee's name in order for the bar code to be assigned.

- * Much more usual has been the consideration of robotic mail carriers for interoffice mail. Robotic mail carriers can undoubtedly save considerable resources--if the floorplan is suited to them. As soon as I can find a robotic mail courier that can take the elevator, I will have it installed.

- * Even if the majority of us cannot take advantage of electronic rate shopping, robotic mail carriers, and bar-code mail distribution, we can borrow ideas from all of them. For example, the shipping systems designed to provide rate shopping, as well as the systems that electronically log in all incoming mail with barcodes, provide models--and some of the programming--for tracking important documents electronically. Similarly, even if our floorplan is not suited for a robotic mail carrier, the idea of consistently coding mail stops so that even a machine is able to distribute documents is a useful concept.

- * A major application for electronic automation in document distribution is the use of the computer to maintain distribution lists--especially for such distributions as those to "All Directors" or "All Managers." When such distribution lists can be maintained on a network, individual labels and even personalized letters can be produced for mailings that will ensure that the address is correct and that the item is really delivered to the intended recipient. (In our very fluid organization, there is often a

question as to who the "Department Heads" or "Directors" are.)

Development of a Plan

A plan for improving document distribution must be developed in the context of organizational records management, not just as an isolated concern of the mailroom.

* First, document distribution must be viewed as part of the life cycle of all records and an important aspect of records management.

* Secondly, while the mail carriers may be the ones most obviously responsible for document distribution, it must be made clear that the responsibility for its success also rests on the shoulders of the senders. Correctly addressing and packaging interoffice mail must become a priority-and those involved must be appropriately trained.

* Finally, in keeping with traditional records management, the plan should be the result of practical, objective reasoning that critically considers such issues as how much to base distribution on familiarity, when to require interoffice envelopes, when to exclude attachments, and how to balance the economy of distribution list reduction against the organization's need for "open communications."

Does not the development and implementation of such a plan suggest exactly the combination of objective analysis and education upon which records management thrives?

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Administrators Inc 1996
GEOGRAPHIC NAMES: US

DESCRIPTORS: Document management; Distribution; Problems; Costs; Planning
CLASSIFICATION CODES: 5260 (CN=Records management); 2310 (CN=Planning);
9190 (CN=United States)
...TEXT: RECORDS MANAGEMENT SOLUTIONS

Unfortunately, the problems with deciphering addresses are much more vexing for interoffice **mail** than for that which is handled by the U.S. Post Office or other couriers...

... S. Postal Service to be even "casually familiar" with the millions of potential addressees of **mail** in the United States is patently absurd, familiarity within a company of tens or hundreds...

... even thousands does not seem so ridiculous. Moreover, once people are accustomed to a certain **type** of service, they continue to expect it long after the conditions that warranted it have disappeared. For example, in my own agency, addressing interoffice **mail** with only a name and occasionally a department made sense when we numbered less than...

... even worked pretty well when we had a staff of 200. However, after that time, **mail** carriers found it significantly more difficult to recognize names and to know for sure the...

...they did recognize. Somehow the delivery system based on familiarity had to evolve into some **type** of standardized, consistent, location-based addressing system. But how do we know at what point...

... voluminous file groups require hierarchical, stringently logical, often numerically coded filing systems.

Applying this same **type** of pragmatic analysis to the development of addressing systems implies that we only add additional levels of **mail**

-stop coding when they really become necessary to handle increased organizational volume and complexity. This...

... an office with fewer than 100 employees probably does not need an elaborate system of **mail** stop codes. The names of people and departments are probably sufficient. Indeed, in such organizations, the **mail** carriers are often on a first-name basis with everyone. Involved **mail** -stop systems are required only when they make it easier to locate an addressee. At some point beyond the volume of 100 employees, names become less familiar, and **mail** -stop codes related to unchanging locations become necessary. This is especially true in organizational structures...

... on boxes identified only by location numbers, there is a whole range of possibilities, including **mail** stops associated with departments and secretarial work stations. The lesson from filing is that the... Besides, he might succeed and prove me wrong.)

LINGERING REMNANTS OF FAMILIARITY-BASED SYSTEMS

The **type** of evolution described above is probably similar to that experienced by many large organizations. However...

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THE GAME OF ARROWS

Another of these traditional systems is a...wasteful in deciding what to include in a package; we also often choose the wrong **type** of packaging. It seems fairly logical that interoffice **mail** should go into interoffice I envelopes. These are wonderful, underrated inventions: They can be used ...

... to distinguish from regular envelopes and so eliminate the danger of being confused with outgoing **mail** destined for the Post Office.

Despite the marvelous simplicity of "thousand milers," we still manage to misuse them. For instance, some of us penny-wise **cost** -cutters take time to **type** address sheets and paste or tape them onto thousand milers that have been used up...

... dollar-foolish in terms of staff time expended, but also runs the risk of misdirected **mail** when the supplemental address sheet falls off. (And they will fall off.) A more serious...

... very often backfires. Just as the U.S. Post Office increases efficiency by very mechanically **sorting mail** by **type** and address zone, most mailrooms first sort interoffice **mail** from outgoing **mail** on the basis of the **type** of envelope. Consequently, in the best case, the interoffice **mail** in the regular envelope will be delayed until the mailroom catches it while applying postage to the outgoing **mail** . In the worst--and more likely--case, it will be sent out with the rest of the U.S. **mail** , only to be returned a week or two later stamped "ADDRESS UNKNOWN." Even if a... mail" (i.e., mail that most recipients neither need nor want). Mass mailers

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... much harm a commercial mass mailer, it will greatly damage an interoffice mass mailer. The **cost** of the recipient's resources in opening, reading, filing, and disposing of junk mail is not the commercial mass mailer's concern; the recipient **costs** of interoffice junk mail directly affect the interoffice mass mailer's organization. Interoffice mass mailings...

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STEPS TO TAKE

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15/9,K/13 (Item 1 from file: 148)
DIALOG(R) File 148:Gale Group Trade & Industry DB
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09137212 SUPPLIER NUMBER: 18862139 (THIS IS THE FULL TEXT)
Java app to replace paper forms for more bulk mailers.(Postal Service on-line application form) (Government Activity) (Brief Article)
Dorobek, Christopher J.
Government Computer News, v15, n28, p8(1)
Nov 4, 1996
DOCUMENT TYPE: Brief Article ISSN: 0738-4300 LANGUAGE: English
RECORD TYPE: Fulltext
WORD COUNT: 587 LINE COUNT: 00048

TEXT:

With a new Java application, the Postal Service wants to eliminate the paper forms it gets with smaller bulk mailings.

Although most organizations that regularly send large bulk mailings provide such forms electronically, there were no on-line applications for the small-and medium-bulk mailers.

The new application, written in Sun Microsystems Inc.'s Java language, can be downloaded directly from the USPS World Wide Web site. For now, organizations must print the forms and submit them with the mailings, but eventually postal officials will ask them to submit the forms via the Internet.

The service wants to receive the information electronically so it can make more efficient use of staff, said Rosemary Hamel, manager of customer information and product support for marketing systems at the Postal Service. Much of this preparation is now done on the fly.

Advance notice

Forms transmitted electronically could arrive as much as a day before the items to be mailed, said Paul Jaquish, president of the government systems division of Enterprise Productivity Systems Inc. of Mountain View, Calif., which is developing the Java program with Postal Service programmers.

The challenge is to make the forms logical. "You want to have the forms function be as intelligent as possible so it removes a lot of the busy work in filing out the form," Jaquish said.

The application for the first of 13 forms is in the final test phase.

The application automatically makes **calculations** about the **cost** and processing of bulk **mail** , once a user fills in the data fields. USPS uses this information to set up the **sorting** routines for a bulk mailing. The software will reduce errors in handling the **mail** , Hamel said.

"We were looking for software that customers could download to their own systems that would not have a high price tag to us," she said. The forms tell the Postal Service the postage on the bulk **mail** shipments, the **type** of **mail** and generally where the **mail** is going.

Direct Link

The Java test program is part of the agency's Direct Link project that seeks to use the Internet as a means of communication with postal customers.

The first Java applet for postal Form 3602-R is expected to be on the Postal Service's Web site before the end of the year. Between now and July, the service plans to convert the remaining 12 forms used by small and medium bulk mailers to Java applets and upload them at <http://www.usps.gov>.

In another announcement, Robert A.F. Reisner, the Postal Service's vice president for strategic planning, said the service, together with two California companies, is fine-tuning a new service that will verify the identity of an e-mail sender.

The Postal Service has long planned to provide certification for e-mail transmissions. Now, Reisner said, it is testing what it calls First Class E-mail with users in a few industries, such as law firms and bank companies. The goal is to expand the project next year.

Aegis Star of Palo Alto, Calif., is providing document archiving, and Cylink Corp. of Sunnyvale, Calif., is the encryption certificate authority.

"The old paper vs. electronics debate misses the point," Reisner said. "As the U.S. Postal Service begins to interconnect with its customers--to do traditional postal business on-line--the scope of electronic communications will take an astonishing leap forward."

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SPECIAL FEATURES: illustration; photograph

INDUSTRY CODES/NAMES: CMPT Computers and Office Automation; GOVT

Government and Law; BUSN Any type of business

DESCRIPTORS: United States. Postal Service--Information services;

Internet--Usage

FILE SEGMENT: CD File 275

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Direct Link

The Java test program is part of the agency's Direct...

15/9,K/14 (Item 2 from file: 148)

DIALOG(R)File 148:Gale Group Trade & Industry DB

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08128561 SUPPLIER NUMBER: 17403453 (THIS IS THE FULL TEXT)

Mailroom automation: not just for large-volume mailers. (includes related article)

Managing Office Technology, v40, n8, p22(5)

August, 1995

ISSN: 1070-4051

LANGUAGE: English

RECORD TYPE: Fulltext; Abstract

WORD COUNT: 2427 LINE COUNT: 00195

ABSTRACT: The benefits generated by mailroom automation justify the investment in new systems and technologies even in small- to medium-sized mailrooms. Two cases are presented to illustrate this point. For Braintree, MA-based J.L. Hammet, the installation of an intelligent inserting system helped increase its monthly volume of mailpieces from 35,000 to 60,000. In addition, the company was able to consolidate its various mail processing centers and reduce the number of mail processing personnel to just one. For the Mail Marketing Group in Bristol, England, use of Bell & Howell's ADVANTAGE mail processing system enhanced the company's competitiveness by enabling it to provide its customers the speed and cost-effectiveness they require. The equipment also helped Mail Marketing to increase its output capability, minimize personnel involvement and increase profit margins.

TEXT:

When it comes to upgrading the mailroom operations for any business, the **cost** involved is often the **determining** factor. This is especially true where small- to medium-sized mailrooms are concerned.

It is often difficult to talk management into making an investment in the mailroom. However, the two following cases may help point out how really prudent these investments can be, no matter what your mailing volume. So if you think you're a small operation with a sporadic mail volume that couldn't possibly benefit from automation - read on.

SAVINGS, PRODUCTIVITY JUSTIFY INSERTING SYSTEM

Did you ever wonder whether or not the cost of an inserting system would be worth it in your mid-volume mail center? Some days the load is heavy and the need seems great; however, the next day things may slow down and the investment hardly seems worth it.

This was just how Jim Rochester, administrative manager for the J.L. Hammet Co. (Braintree, MA) felt about investing in a high-tech inserting system for the company's volume of 35,000 mailpieces per month.

"We installed an intelligent inserting system in our corporate offices less than a year ago, and it was immediately clear that the savings in labor alone would more than cover the lease cost," says Rochester.

Before the installation, Hammet was processing its mail by hand in Braintree and also in its three regional distribution centers. However, because there were very pronounced peaks and valleys in volume, none of the centers could support a full time mailing operation. Typically, one or two employees at each center would be pulled from their regular job each day to fold, insert, seal and mail customer invoices. Four or five others would be assigned at the beginning of each month to "process" statements - a task that took from two to five days, and some overtime.

"We tested the system in Braintree before we committed," says Rochester. "The Massachusetts pilot was so successful that we've consolidated all of our mail processing there. And just one employee handles the job easily - with the help of the inserting system."

The consolidated volume, according to Rochester, has now reached 60,000 mailpieces a month.

Rochester also notes that no employee has lost a job because of the new technology. "We're all just working a whole lot more efficiently at what we were hired to do. So the decision to invest has been prudent and beneficial from a number of standpoints."

MAKING THE DECISION

"We explored this from every angle," says Rochester. "This would be a big and unusual step for a company the size and scope of ours, and we had to make sure it made absolute sense before we took the plunge."

Rochester was concerned about things like size, cycle speeds, intelligence and other capabilities of the inserting system; the ease of accommodating additional applications, equipment service and operator training; document handling issues associated with existing forms; the mail finishing process; and the opportunity for saving postage plus other questions about USPS automation requirements now, and in the future.

Rochester turned to Paul Karl, production mail area representative, Pitney Bowes, and Christy Rose, the local Pitney Bowes Mailing Systems

specialist, for help.

The review process took almost two years and included numerous on-site visits to see how other companies were handling similar applications and volume.

EXAMINE ALL OPTIONS

"We wanted Jim to look at every possible option from software and printers through the entire finishing process," says Karl. "For example, he was able to see first hand the tradeoffs between impact and laser printers, between cut sheet and continuous form inputs, and between in-line and off-line metering systems."

As a result, Rochester was able to specify a mailing system to meet Hammet's needs. The system consists of a high speed intelligent inserter along with a Paragon mailing machine. The inserter has a burster/accumulator/folder input, and two enclosure stations. Its built-in intelligence includes IDs of collation, ZIP deflect, and selective enclosure feeding.

The Paragon adds Weigh-on-the-Way (WOW) metering, and gives the capability for efficiently processing every day mail.

"Our invoices vary markedly from customer to customer in terms of number of pages and thus, weight," says Rochester. "The unique metering capability of WOW allows us to run everything in ZIP order and qualify for postage discounts we might otherwise miss."

The selective feeders, at this time, are used primarily for Business Return Envelopes, and enable Hammet to utilize a lock-box arrangement, which has had a positive effect on Hammet's cash flow, according to Rochester.

Pitney Bowes field engineers helped Rochester redesign Hammet's forms and envelopes so that everything would run smoothly. They also trained Hammet's designated operators so that they now have two people fully qualified to run every aspect of the system, and they can even handle minor service requirements.

Service has not, however, been a problem. "Uptime exceeds 99 percent," says Rochester. "And the few times we've needed help, the technician has been here well ahead of the guaranteed four-hour response."

In addition to the inserting system, Rochester has also installed mainframe software to enable ZIP + 4 bar-coding for additional postage savings, and has plans to add a sheet feeder to handle additional applications like promotional mailings.

"We also expect to increase our marketing efforts by taking advantage of the selective enclosure feeders on the inserting system," says Rochester. "It's a new opportunity for us, one we really hadn't anticipated."

THE SEARCH

Graham Cooper, operations director for the Mail Marketing Group (Bristol, England), was first attracted to inserting equipment because of the speed and potential for increased output that the technology offers.

Two years ago, the company purchased inserting equipment and nine months later, needed to invest in a second piece of equipment to handle time-sensitive documents. Not long after, Cooper required additional insert stations in order to service customers with huge mail volumes.

"We were looking for something that would deliver high speed on fairly simple packs," says Cooper. "We were really keen on the system when we first heard of the product's ability to dramatically increase our processing capabilities."

The product to which Graham refers is the Bell & Howell ADVANTAGE TM mail processing system.

With no systems in place in his area, Cooper traveled to a trade show in Orlando, FL where Bell & Howell was demonstrating the system, and purchased a six-station system.

Cooper's initial production goal was two-and-a-half to three times the output of the existing equipment. Typical jobs in the first unit included straightforward, one-or two-insert mailings for mail order and retail accounts with high volumes and short lead times.

"We initially used the equipment for what we call 'advance mailers' or

'prenotification notices,' with fairly high volumes, ranging from one to three million items that have to get out the door quickly," says Cooper. "With the ability to run at around three times the speed of conventional equipment, the ADVANTAGE system offers our clients tremendous benefits in terms of speed and cost-effectiveness."

Cooper found that not only did the inserter meet his speed requirements, but that a second unit gave his company a "competitive edge on delivery times."

"If a client comes up to us needing to mail 500,000 pieces overnight, we have a real good chance of getting the business," says Cooper. "Previously, it might have taken us a week to get that kind of volume inserted. As a result, they probably would have taken their business elsewhere. Now that some of our customers - most retail outlets and a grocery chain - know of our capabilities, we're getting a good amount of business from emergency mailings."

ADVANTAGES - AND THEN SOME

Cooper increased the system to eight stations when a customer who was mailing about 600,000 to 700,000 items a week, increased their volume to reach numbers that required seven insert stations. In response, Cooper went with eight stations to service this one requirement.

The new stations, however, also allowed Mail Marketing to bid on a major new business client that requires all eight stations to process more than 12 million pieces a year.

"It's an American company that is one of the largest mailers in the U.S., and they want to set up shop in the U.K. in a very big way," says Cooper. "We've seen the pack that they want to mail and it looks as if it has been designed for the ADVANTAGE system. It's what we call a C5 stretch pack that measures 12 inches by 6 inches. Having the system we have, once again, has given us a major competitive edge."

The Mail Marketing Group employs 400 people and 30 to 35 of those employees run the document processing equipment which includes 13 printers.

The company looks for jobs that require equipment to generate roughly 250,000 filled envelopes over a 24-hour period. Each day is broken down into two 8 or two 12-hour shifts, with an hour-and-a-half of stoppage on each shift for breaks and meals.

"The net output is well over 10,000 per hour," says Cooper, "but the real cycling time is about 15,000 to 16,000 per hour. Working on a double shift pattern, the new equipment enables an additional throughput of 1-1/2 million items per week."

Mail Marketing's customer base consists mostly of large financial institutions, insurance firms, retail outlets and other enterprises specializing in direct mail.

The older machines are still on the floor at Mail Marketing, and occasionally used, but current plans call for new systems to eventually be installed throughout the mailing operations center.

"The ADVANTAGE inserters have basically allowed us to take nine slow, chugging machines and replace them with three state-of-the-art inserters," says Cooper. "Along the way, we've doubled our output capability, reduced staff involvement and turned what was a very low margin business into a healthy one."

RELATED ARTICLE: POSTAL AUTOMATION: A History - and Future - of Improving Service

Those little vertical bars known as "barcodes" seem to be everywhere - even on **mail**. The automated **sorting** of the nation's **mail**, using barcodes, enables the Postal Service to provide the best service at the lowest possible **cost**. Automation provides for the most **cost**-effective, efficient and consistent **mail sorting**.

For the Postal Service, it all started in the early 1960s with the advent of ZIP codes. Since then we have seen the five-digit ZIP Code grow to a ZIP+4 or nine-digit ZIP Code. This numerical representation of an address led to the Postal Service's use of an Optical Character Reader (OCR) which barcodes and sorts **mail**. Today, using the nine-digit ZIP Code and the last two digits of the street address or box number, an 11-digit barcode is sprayed on the **mail** for finer **sorting**. This extended barcode

allows the Postal Service to sort **mail** in the most **cost** efficient, reliable and consistent way.

For example, one OCR, operated by two people, can sort 35,000 pieces of letter **mail** an hour. It would take more than 40 people to do that manually. The actual dollar savings achieved through postal automation can best be demonstrated by the **cost** of **sorting** a thousand letters. To manually sort a thousand letters it **costs** \$42. To sort a thousand letters with mechanized equipment **costs** \$19. But, if you sort those letters with the Postal Service computer equipment, it **costs** only \$3. These **cost** savings are passed on to qualifying mailers as postage discounts for presorted and pre-barcoded mailings.

In addition to the cost savings, automation reduces handling and the opportunity for error. Stamped, barcoded letters have a higher on-time delivery rate than non-barcoded letters. And as of Fiscal Year '94, 54 percent of First Class letters had a barcode applied by postal equipment or the customer. The Postal Service's goal to insure accurate delivery is 95 percent of all letter mail barcoded by 1997. The Postal Service expects 40 percent of barcodes will be applied by the customer and 60 percent by postal automated equipment.

Postal automation is not just a single machine. Since the early 1960s, the Postal Service has been steadily replacing manual and mechanized operations with hightech equipment. The following is a description of the automated sorting equipment that is currently being used to process today's mail.

Advanced Facer Canceler System (AFCS): This system faces, cancels, and sorts **letter mail** to one of seven separations, depending on the **type** of **mail**. Business reply **mail** is sorted at this point to capture and sort this **mail** quickly. All machine readable **mail** is taken to an OCR; pre-barcoded **mail** is taken directly to the Bar Code Sorter; and, script **mail** or other non-machineable letters are routed to the **Letter** Sorting Machines or Remote Bar Code Sorting System.

OCR: Scans an entire address on an envelope, determines or verifies the ZIP+4 code and applies a barcode. Each OCR contains a data base for every delivery address in the nation. Also built into the data base are national and local address "aliases," which are common misspellings or abbreviations. Examples - Peachtree St. and PTREE St; Dunwoody vs. DNWY or DNWDY.

Bar Code Sorter (BCS): Sorts letter mail according to barcodes previously applied to the letters into one of 100 separations based on the sort plan in use. A BCS can be operated by two employees at a speed of 35,000 pieces an hour.

Delivery Bar Code Sorter (DBCS): Sorts barcoded mail to the walk sequence of the carrier.

Remote Bar Code System (RBCS): Technology to apply barcodes to hand-written or otherwise automation unreadable letters. Currently 47 sites are on line. The Postal Service's plan is to have 268 networks on line by 1997.

Address quality is critical to timely and effective mail delivery. About 30 percent of addresses have some flaw - incorrect or incomplete information. The best advice to take advantage of postal automation is to address completely and correctly. Always use directionals, apartment and suite numbers, and street designators. This will help the Postal Service maintain fast, reliable and efficient mail service.

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INDUSTRY CODES/NAMES: CMPT Computers and Office Automation
DESCRIPTORS: Office mail procedures--Automation; Mail sorting--Automation
; Advertising fliers--Management; Office equipment and supplies--Usage
PRODUCT/INDUSTRY NAMES: 3570002 (Automated Office Equipment)
SIC CODES: 3570 Computer and Office Equipment
FILE SEGMENT: MI File 47

TEXT:

When it comes to upgrading the mailroom operations for any business, the **cost** involved is often the **determining** factor. This is especially true where small- to medium-sized mailrooms are concerned.

... Improving Service

Those little vertical bars known as "barcodes" seem to be everywhere - even on **mail** . The automated **sorting** of the nation's **mail** , using barcodes, enables the Postal Service to provide the best service at the lowest possible **cost** . Automation provides for the most **cost** -effective, efficient and consistent **mail sorting** .

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Advanced Facer Canceler System (AFCS): This system faces, cancels, and sorts **letter mail** to one of seven separations, depending on the **type** of **mail** . Business reply **mail** is sorted at this point to capture and sort this **mail** quickly. All machine readable **mail** is taken to an OCR; pre-barcoded **mail** is taken directly to the Bar Code Sorter; and, script **mail** or other non-machineable letters are routed to the **Letter** Sorting Machines or Remote Bar Code Sorting System.

OCR: Scans an entire address on an...

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7/9,K/10 (Item 10 from file: 15)
DIALOG(R)File 15:ABI/Inform(R)
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00241492 84-20052

Postal Rate Increases Deliver Latest Skirmish

Levin, Gary M.

Advertising Age v55n33 PP: 30, 32 Jun 14, 1984 CODEN: ADVAAQ ISSN:
0001-8899 JRNL CODE: ADA

DOC TYPE: Journal article LANGUAGE: English LENGTH: 2 Pages

ABSTRACT: A postal rate increase battle is currently raging between the direct- **mail** business and the newspaper industry. While direct- **mail** companies criticize newspapers for mailing shoppers under lower second-class rates unfairly, newspapers complain that such direct- **mail** firms as Advo-System benefit unfairly from 3rd class rate usage. The Postal Service insists that its labor-intensive business requires that time spent **sorting mail** be one of the criteria for **determining mail costs**. The American Newspaper Publishers Association (ANPA) disapproves of the free postal ride given Advo-System's detached label address card, which contains advertising on the back. ANPA also decries the 3rd class rate structure, which allows direct- **mail** firms to **mail** up to 4 ounces of preprints for the price of one ounce. A recent antitrust case in Virginia involving the Newport News Daily Press and Times Herald examined the method of allocating total market coverage (TMC) **costs**.

COMPANY NAMES:

Postal Service

DESCRIPTORS: Newspapers; Direct mail advertising; Postal rates; Publishing industry; Advertising media

CLASSIFICATION CODES: 8690 (CN=Publishing industry); 7200 (CN=Advertising); 9190 (CN=United States)

ABSTRACT: A postal rate increase battle is currently raging between the direct- **mail** business and the newspaper industry. While direct- **mail** companies criticize newspapers for mailing shoppers under lower second-class rates unfairly, newspapers complain that such direct- **mail** firms as Advo-System benefit unfairly from 3rd class rate usage. The Postal Service insists that its labor-intensive business requires that time spent **sorting mail** be one of the criteria for **determining mail costs**. The American Newspaper Publishers Association (ANPA) disapproves of the free postal ride given Advo-System...

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... News Daily Press and Times Herald examined the method of allocating total market coverage (TMC) **costs**.

7/9,K/12 (Item 12 from file: 15)
DIALOG(R) File 15:ABI/Inform(R)
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00071066 78-05379

How to Cut Costs in Your Mailroom

McPoland, Dennis H.

Association Management v30n3 PP: 68-72 March 1978 ISSN: 0004-5578

JRNL CODE: AMG

DOC TYPE: Journal article LANGUAGE: English

ABSTRACT: With postage rates and labor **costs** escalating, mailroom operations are becoming an area of increased concern to management. It is an area that requires regular analysis due to constant changes occurring within the organization itself and in the methods used for processing **mail**. Mailroom operations can be improved significantly by **determining costs** of labor, space, equipment, depreciation, maintenance, and overhead. Nine steps are recommended for improving mailroom efficiency and reducing **costs**: 1. analysis of the mailroom function, 2. checking the need for new equipment, 3. use of idle time between **mail** handling peaks, 4. proper space for an adequate job, 5. proper classification and clear-cut policy directives, 6. elimination of inefficient **sorting** and work methods, 7. getting the Postal Service into the act, 8. free classes and professional advice, and 9. study of outside services. If an outside **mail** service is considered, these questions should be asked: 1. Is tight security of the **mail** important? 2. Is quick turnaround necessary? 3. Are there any really critical reasons why the work cannot be done by an outside firm?

DESCRIPTORS: Mail; Mailrooms; Cost analysis; Cost reduction; Analysis; Efficiency; Improvements; Guidelines; Office equipment

CLASSIFICATION CODES: 5100 (CN=Facilities management); 3100 (CN=Capital & debt management); 8600 (CN=Manufacturing industries not elsewhere classified)

ABSTRACT: With postage rates and labor **costs** escalating, mailroom operations are becoming an area of increased concern to management. It is an...

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7/9,K/32 (Item 2 from file: 275)
DIALOG(R) File 275:Gale Group Computer DB(TM)
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01221728 SUPPLIER NUMBER: 06862693
Sorting the mail. (Prism Data Services' Delivery Mode Code mail sorting system) (column)
Asner, Michael
Computing Canada, v14, n9, p24(1)
April 28, 1988
DOCUMENT TYPE: column ISSN: 0319-0161 LANGUAGE: ENGLISH
RECORD TYPE: ABSTRACT

ABSTRACT: The Delivery Mode Code (DMC), a **mail sorting** and documentation computer system from Prism Data Services, offers very good benefits at a low **cost**. Canada Post offers mailing rate reductions for firms sending over 5,000 letters a month. The system helps companies take advantage of Canada Post's rate reductions by: producing bills in proper sequence; summarizing the mailing charges; creating all documentation required by Canada Post and the physical **mail** preparation facility including the Post Office Statement of Mailing, **Mail** Handling Detail Reports, Bundle Labels, and Bag and Tray tags; and **calculating** the postage based on the results of **sorting**. The system is best for organizations spending more than \$5,000 a month on mailing, since it will pay for itself in about 18 months. DMC **costs** from \$10,000 to \$20,000 depending on the computer.

COMPANY NAMES: Prism Data Services--Product introduction
DESCRIPTORS: Mail Processing; Mail Preparation; Computer Systems; New Product; Cost Reduction; Product Introduction; Postal Service
TRADE NAMES: Prism Data Services Delivery Mode Code (Microcomputer)--Product introduction
FILE SEGMENT: CD File 275

ABSTRACT: The Delivery Mode Code (DMC), a **mail sorting** and documentation computer system from Prism Data Services, offers very good benefits at a low **cost**. Canada Post offers mailing rate reductions for firms sending over 5,000 letters a month...

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7/9,K/41 (Item 2 from file: 2)
DIALOG(R) File 2:INSPEC
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04/72

00397023 INSPEC Abstract Number: C72013728

Title: Development and application of a multi-period linear programming model for postal sorting systems

Author(s): Marcotte, R.; Sherrard, E.; Gardner, G.; Gardner, L.

Author Affiliation: US Postal Service Res. Dept., Washington, DC, USA

Journal: Bulletin of the Operations Research Society of America

vol.20, suppl.1 p.B-133

Publication Date: Spring 1972 Country of Publication: USA

CODEN: ORSBAS ISSN: 0030-3666

Conference Title: Operations Research Society of America 41st annual meeting. Abstracts only

Conference Sponsor: Operations Res. Soc. America

Conference Date: 26-28 April 1972 Conference Location: New Orleans, LA, USA

Language: English Document Type: Conference Paper (PA); Journal Paper (JP)

Treatment: Applications (A); Theoretical (T)

Abstract: A letter **sorting** system is described by a three time period network model explicitly accounting for volume of letters sorted, total **sorting costs**, and desired service times. The model minimizes total daily **sorting costs**, and **determines** the number and mixture of **sorting** equipments and the routing of **mail** pieces throughout the **sorting** system which correspond to this minimization. It has been applied to study the need for optical character readers (OCR) by the U.S. Postal Service with the number of OCRs and other principal equipments constrained to integer values and over a range of conditions for **mail** volume and OCR performance and **cost**.

Subfile: B C

Descriptors: linear programming; modelling; optical character recognition; postal services

Identifiers: postal sorting systems; volume of letters sorted; total sorting costs; desired service times; minimizes; total daily sorting costs; optical character readers; multiperiod linear programming model

Class Codes: B0260 (Optimisation techniques); C1180 (Optimisation techniques); C1220 (Simulation, modelling and identification); C3320B (Postal services)

Abstract: A letter **sorting** system is described by a three time period network model explicitly accounting for volume of letters sorted, total **sorting costs**, and desired service times. The model minimizes total daily **sorting costs**, and **determines** the number and mixture of **sorting** equipments and the routing of **mail** pieces throughout the **sorting** system which correspond to this minimization. It has been applied to study the need for...

... and other principal equipments constrained to integer values and over a range of conditions for **mail** volume and OCR performance and **cost**.

7/9,K/42 (Item 3 from file: 2)

DIALOG(R) File 2:INSPEC

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00335556 INSPEC Abstract Number: C72001088

Title: Letter mail sorting: an examination of cost and service

Author(s): Cohen, R.; McBride, C.; White, T.

Author Affiliation: Inst Defense Analysis, Arlington, VA, USA

Journal: Bulletin of the Operations Research Society of America
vol.19, suppl.2 p.B226-7

Publication Date: 1971 Country of Publication: USA

CODEN: ORSBAS ISSN: 0030-3666

Language: English Document Type: Journal Paper (JP)

Treatment: Practical (P)

Abstract: Abstract only given. The major variable **cost** in the US Postal Service is **sorting** letter **mail**. In recognition of this problem, the Postal Service has inaugurated a major research program to mechanise this activity. This study develops a generalized set of procedures for evaluating alternative mechanisation. Methods are developed for **determining** current **costs** and the effect of the level of service is examined. The procedures also include a linear programming model which maximises savings from mechanisation, given service constraints and hourly and daily volume fluctuations of different types of **mail**. Code sort systems, a prime mechanisation candidate, is evaluated using this methodology.

Subfile: C

Descriptors: materials handling; postal services

Identifiers: postal service; sorting; letter mail; linear programming
model; mechanisation; code sort systems

Class Codes: C3320B (Postal services)

Abstract: Abstract only given. The major variable **cost** in the US Postal Service is **sorting** letter **mail**. In recognition of this problem, the Postal Service has inaugurated a major research program to...

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7/96

01273572 99-22968

Carrier selection tools: Open a window to service

Andel, Tom

Transportation & Distribution v37n7 PP: 27-32 Jul 1996 ISSN: 0895-8548

JRNL CODE: HLS

DOC TYPE: Journal article LANGUAGE: English LENGTH: 3 Pages

WORD COUNT: 2134

ABSTRACT: In today's deregulated environment, shippers and carriers can access technology to help them act with the agility of a single entity. Carrier selection software can give both parties the coordination they need to keep freight moving. Without it, knowing where capacity is available, where trucks are, and where the freight is at any moment becomes more difficult. Transportation represents from 40% to 60% of a shipper's distribution costs. That is why, to make best use of any carrier selection solution, one should consider both inbound and outbound transportation. Carrier selection involves more than just picking the right carrier. By doing the rating and routing, shippers can outsource the freight bill audit to carriers. It is also critical to look at pooling opportunities to achieve the maximum benefit on reducing transportation costs. Whether one uses EDI, the Internet, or the telephone to select a carrier, carriers are becoming more sensitive to the special logistics service needs - and factoring them into their pricing structures.

TEXT: Headnote: YOUR CUSTOMERS DEMAND SPECIAL LOGISTICS SERVICES. FACTOR THEM INTO YOUR CARRIER SELECTION TO ENSURE COST EFFECTIVE DELIVERY.

Before deregulation, if you couldn't get the rates or service you wanted from carriers, an alternative was to start your own private fleet. But even that wouldn't solve your transportation problems because you faced the same challenges your carriers confronted: high administrative costs, equipment utilization and capacity, and maintaining lane balance-going to the right places at the right times.

In today's deregulated environment, shippers and carriers can access technology to help them act with the agility of a single entity. Carrier selection software can give both parties the coordination they need to keep freight moving. Without it, knowing where capacity is available, where trucks are, and where your freight is at any moment becomes more difficult.

"I can't imagine any shipper with major volume making an intelligent carrier selection without software," says Steve Smith, president of TranScape, a Pitney Bowes Company. "Rate changes happen at three to four times the frequency they did two years ago. The biggest change is the number of new service areas the carriers are going into. In the old days, if you could just put in the rates it was enough. Now you also need the service and routing information. That brings with it the need to maintain the data and the changes that go along with them."

Consider both sides

Transportation represents from 40% to 60% of a shipper's distribution costs. That's why, to make best use of any carrier selection solution, you should consider both inbound and outbound transportation.

"So many people focus on the outbound side because they know how much they spend on it," says Larry Ferrere, JD Edwards' director of industry marketing. "What people don't realize is how much cost is buried into the inbound side at the supplier. If the shipper wants to maximize their negotiating power with their carriers, they need to provide total information to the carrier outbound and inbound plans-to give that carrier

more backhaul opportunities."

Michael Neary, vice president of marketing for Kitimat Systems, uses his client, Disney World, to illustrate the importance of considering inbound carrier selection as carefully as outbound.

"When you have 18,000 suppliers around the world and the terms are FOB Orlando, those suppliers don't care which carrier is selected because Disney's going to pick up the cost," he says. "They have no vested interest in picking the cheapest guy, they're going to pick the one that gives them the baseball tickets. Disney got fed up with that, so they told suppliers 'It's going to be FOB your dock and we will tell you which carrier will pick that up or you will contact a carrier we choose on any load over 2,000 lb.' Meanwhile, we give the people in the traffic department more information and power, letting them go back to the host of carriers they're using to leverage them for better performance, service standards, and rates."

Exchanging benefits

Carrier selection involves more than just picking the right carrier. By doing the rating and routing, shippers can outsource the freight bill audit to the carriers.

"Freight bill auditing is a non-valueadded task that costs the shipper money," Larry Ferrere maintains. "With a detailed rating/routing/invoicing system, you should be able to negotiate rates and send the detailed invoice with the payment to the carrier and let them tell you if there's a mistake-let them audit it."

It's also critical to look at pooling opportunities to achieve the maximum benefit on reducing transportation costs. That's the goal of the National Transportation Exchange (NTE), a central electronic marketplace for time sensitive LTL and TL shipments. This is a realtime, interactive load matching service for shippers and carriers. Transportation software vendors are joining forces with the NTE to make best use of this service.

"Our customers either give us their own routing service level requirements or the ones their customers are mandating," says TranScape's Steve Smith.

"We will take that on inbound or outbound shipments and provide various levels of carrier selection for them based on the criteria they give us. That can be transaction based, or for those who can take on some level of consolidation, we'll bundle small package shipments into LTL shipments or LTL into TL. The NTE gave us a further extension of our reach by taking additional carriers with available space and existing shipments and helping smaller customers achieve greater savings."

Once the NTE has a transaction on its server, prequalified carriers come looking for the shipments at the Exchange to see if they can meet the criteria for service and savings. This helps minimize fleet underutilization and saves the shipper money.

"Underutilization of capacity is as high as 30% to 50%," says Greg Rocque, president and managing director of the NTE. "The truckload segment of the market is averaging between 9% to 11% empty miles. The LTL market averages 15% to 20% empty miles. The numbers for private and dedicated fleets can average between 25% to 50%. Non utilization costs shippers, carriers, and intermediaries billions of dollars."

The problem is fragmented micronetworks, as Rocque sees it. There are hundreds of thousands of these disparate individual networks employing fragmented technologies-great software packages limited to knowledge of their own environments.

"[Using the Exchange,] companies of varying technological utilization can transact business together seamlessly," Rocque concludes. "An EDI operation can transact business with a phone/fax operation seamlessly. Processes can be executed automatically between technologies."

Electronic data interchange

How you trade information with carriers affects the level of service you can expect. Using EDI, depending on your mode of transportation, you may get from three to seven shipment status messages per shipment per day from carriers. According to Peter Stiles, senior vice president of consulting for Frontec, providers of intelligent messaging technology, statistically better than 99% of that information tells you everything's just fine with your shipment.

"If you're shipping 200 shipments per day you're probably getting 2,000 plus shipment status messages per day," says Stiles. "EDI is very good at exchanging documents, but not very good at exchanging messages. Our solution to this is intelligent messaging. With the explosion of business on the Internet and various forms of electronic commerce, EDI by itself isn't sufficient. You need to be able to process all types of messages from your trading partners in all forms, including file transfers, e-mail, Lotus Notes, external databases-any type of medium that can create a message. If a shipment is late there may be ten people in your organization who need to know about it, each in a different way. The format of the message coming in and the formats in which the information is distributed may have very little to do with each other. Distribution in our scenario is done according to business rules you create."

Managing by exception is a big part of Weseley Software's carrier selection offering. Paula Heikell, marketing director, says TRACS-ASSIGN manages exceptions as part of its daily processes. Using it with their EDI module, it can note incidents of rejection by a carrier then route the information to whoever needs the information. Then, the next time you're selecting a carrier, it will do so based on the lowest rejection rates and the highest on-time performance.

"If a carrier rejects a load, and you're doing hundreds of loads a day, you don't want to look at all the routine ones," says Heikell. "You do want to know about the ones in trouble. The software will let you re-build the load quickly and tell you which other carriers can take it."

But EDI has its limitations as a carrier selection medium. Transaction sets are not yet structured to accommodate the various requirements a shipper may have when looking for carriers. Dave Nash, president of Cass Logistics Software, has been involved with the American National Standards Institute's (ANSI) efforts to develop standards that would take those special requirements into account.

"The rating world is more dynamic than it used to be, and carriers will have to reflect changes more quickly," Nash says. "An electronic process will enable that. We came up with three complementary transaction sets. The first is information related to the solicitation of a bid. Set two is the response from the carrier back to the shipper, including proposed rates for specific activities. The third set is a further subset of the first two in that it is the terms and rates agreed to for doing business between the shipper and carrier. Each computer system involved will be able to update those rates so traffic can begin to move immediately."

Third-party partners

With the growing popularity of client/server technology and its role in offloading work from the mainframe, it isn't surprising that it has found a niche in carrier selection. In fact, Paul White, vice president of sales and marketing for Strategic Technologies, Inc., says his clients are taking the technology beyond selection and using the data more strategically.

"With client/server technology surpassing the mainframe, we are now being asked by one of our clients operating in an Oracle server environment to put our rating software for air freight and LTL on their server," he says. "They will use that rating software not so much for transportation, but rather to determine what the freight cost will be for a movement that might happen a week from now. They'll apply that to their customer invoice and bill their customer back for the anticipated freight cost. In the past this

company had to wait two or three weeks for a carrier to send the freight bill in so they would know what the freight charge would be. In the meantime they're holding up their invoicing for this information."

This application of their software is new. White says in years past it would have been too costly and inefficient to work with another company's mainframe environment.

"With client/server it's seamless," he adds. "We can put an application on their server or on our server and have them access it via leased line communications link or via the Web. But whether it's on their server or ours, it's not difficult."

Third party logistics providers also have a stake in choosing the most cost effective carriers for their clients' freight. That's why Information Software Inc. adapted its carrier selection package for third parties. Shipper TPL combines least-cost shipping, load building optimization, and carrier selection to enhance shipment profitability.

"Our software allows a user to put in any rate structure for any carrier he's dealing with, along with routing information on where this carrier can effectively handle a shipment," says Len Solimene, director, corporate sales. "Most-software packages assume you own the product you're shipping. They look up rates, choose the least-cost carrier, and route based on you owning the product. Shipper TPL has that as its base but it will add a level of detail to the order number, including cost allocations to the customer order level. When you're a public warehouse and you do freight movement as well as store goods, you sometimes end up making shipments that cost you money in order to please the customer. We can at least measure whether the third party is making money or losing it on a shipment. If the shipment is a money loser, the company may combine it with others or ship it a different way to at least make the shipment break even."

Looking forward

Several of the software vendors contacted for this story have Internet applications in their future. Kitimat's Michael Neary says his company will move part of its product's functionality onto the Internet by the end of the year.

"Look for more rate shopping and load brokering over the Internet," he advises. "It will be more flexible. There's a finite number of carriers you can negotiate rates with right now. With the Internet, there will be more opportunity for ad hoc moves. Instead of dealing with just 10 or 15 TL carriers on any particular day, anybody with equipment in a particular town will be able to post that in a bulletin board. It's a real-time solution."

Larry Ferrere, JD Edwards, agrees. "People have embraced the Internet for sharing capacity opportunities and you'll see a lot more of that," he predicts. "Many parcel carriers let shippers use the Internet as a means of tracking shipments and communicating. The manufacturer and distributor is almost becoming a cooperative with these carriers. For them to shop available space on the Internet makes sense."

Whether you use EDI, the Internet, or just the telephone to select your carriers, rest assured, carriers are becoming more sensitive to your special logistics service needs-and factoring them into their pricing structures. You'll find payback opportunities in considering the tools available to help you fight your next fearsome transportation budget battle.

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